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Tokyo To Host East-West Ministerial Trade Talks

OW1801023593 Tokyo KYODO in English 0211 GMT 18 Jan 93

[Text] Budapest, Jan. 18 KYODO—A meeting of trade ministers from Eastern Europe and Western countries is to be held in Tokyo, a Ministry of International Trade and Industry (MITI) source said in Budapest on Sunday [17 January].

The source, accompanying trade minister Yoshiro Mori, who is coming to the end of a nine-day trip in which he visited Britain, Belgium, and Italy before coming to Hungary, said a preparatory meeting will be held in Tokyo on February 17 and 18 to work out details of the conference, including its timing.

The international meeting, which will be the second of its kind and will be attended by business leaders, will discuss economic assistance to Eastern Europe and the former Soviet Union, focusing on microeconomics including measures to strengthen private industry and boost small and medium-sized enterprises, he said.

The first such trade meeting, held last May in Munster, Germany, was attended by major Western industrialized nations as well as Russia, Ukraine, Kazakhstan, Poland, Hungary, and other Eastern European nations. Mori is due to return home Tuesday.

Japan Says EC Seeks Observer Status in APEC Forum

OW1601012593 Tokyo KYODO in English 0042 GMT 16 Jan 93

[Text] Brussels, Jan. 15 KYODO—The European Community (EC) is seeking observer status in the Asia-Pacific Economic Cooperation (APEC) ministerial forum, a Japanese Foreign Ministry official said Friday.

Hans Van Den Broek, EC external political relations commissioner, told Japanese ministers at a luncheon during the Japan-EC commission ministerial conference that the EC is seeking ways to cooperate with the APEC forum, the official said.

He said Van Den Broek brought up as an example the observer status Japan has with the Conference on Security and Cooperation in Europe, suggesting the EC's wish for a similar position.

Also at the luncheon, Van Den Broek expressed his support for Japan becoming a permanent member of the U.N. Security Council, saying he would welcome Japan upgrading its international political role, the Japanese official said.

Japan's political role should increase to match its economic one to strengthen the functions of the United Nations as a major step in creating the new global security mechanism, the official quoted Van Den Broek as saying.

Japanese Farm Minister Comments on GATT Tariff Proposal

OW1501235693 Tokyo KYODO in English 2327 GMT 15 Jan 93

[Text] Brussels, Jan. 15 KYODO—The European Community (EC) commission urged Japan on Friday to accept a proposal to replace nontariff barriers with tariffs, which would pave the way to the liberalization of the Japanese rice market, Japanese diplomats said. The request was made a meeting of five Japanese ministers and seven EC commissioners at the headquarters of the EC commission, they said. The tariffication proposal was made by the head of the General Agreement on Tariffs and Trade (GATT) several months ago.

EC Farm Commissioner Rene Steichen was quoted as saying GATT members must accept the tariffication proposal if there is to be a successful conclusion to the stalled Uruguay round multilateral trade talks under the auspices of GATT.

Japan's farm minister, Masami Tanabu, said the proposal by GATT Director General Arthur Dunkel should be made more balanced, so it is acceptable not only to agricultural exporting countries but also to importers like Japan, the Japanese officials said.

On macroeconomic issues, EC Commissioner for Economic Affairs Henning Christophersen, praised an economic stimulus package announced by Prime Minister Kiichi Miyazawa's cabinet last August.

Christophersen said he hopes Japan will take more efforts to prop up the faltering economy, which he said would expand imports from the EC, the diplomats reported.

Japan and the EC agreed to launch a working-level task force to look into the causes of Japan's huge trade surplus with the EC in the near future to put the results on the table at high-level meetings to be held in Tokyo in mid-April, they said. The Japanese delegation was led by Foreign Minister Michio Watanabe and the EC team was led by EC Commissioner for External Economic Affairs Leon Brittan.

Japan's Miyazawa To Convey Nonaligned Views to G-7

OW2501090693 Tokyo KYODO in English 0854 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Prime Minister Kiichi Miyazawa said Monday [25 January] he would seek to meet a request by Indonesian President Suharto to convey the views of the Nonaligned Movement to leaders of Group of Seven (G-7) economic powers at the July Tokyo summit. Miyazawa told parliament it would be difficult to arrange a direct dialogue. But he said Suharto's request to communicate with G-7 leaders is reasonable.

"I will consult with G-7 countries to see what can be done to meet Suharto's wish," Miyazawa told a plenary session of the House of Representatives. The Indonesian president is chairman of the 108-nation group of the Nonaligned Movement.

A government source said that Japan would act as proxy by relaying to other G-7 countries the positions of the Nonaligned Movement. Tokyo plans to solicit its views either by letter from Suharto, or by inviting representatives to Tokyo for a meeting in advance of the July summit, the source said. Miyazawa would reply to Suharto by letter, the source said.

Suharto first told Miyazawa last September he would like to brief the G-7 leaders, but other economic powers responded negatively, the source said. Suharto reiterated his request to stress the need for dialogue between rich and poor countries when Miyazawa visited Jakarta earlier this month.

At the 1991 Munich summit a group of 15 African nations made a similar request to host nation Germany. Senegal was invited as a representative to submit the group's views to Germany by letter.

ASEAN To Tell Clinton EAEC Not Protectionist

BK2201134493 Kuala Lumpur BERNAMA in English 0655 GMT 19 Jan 93

[Text] Kuala Lumpur, Jan 19 (OANA-BERNAMA)—ASEAN, the prime mover of the East Asian Economic Caucus [EAEC], will spell out to the new United States Administration that the EAEC is merely a regional forum and not a trade bloc.

Singapore ambassador-at-large Tommy Koh said U.S. understanding was the key to getting Japan's membership in the EAEC and the forum getting off the ground.

"Japan should avoid confrontation with the U.S. and the European Community because any such confrontation would hurt the smaller economies of the region more than Japan," he told BERNAMA at the Asia Forum Malaysia Conference here.

The two-day conference, on the theme "Economic Integration and Cooperation in East Asia", is organised by the Institute of Strategic and International Studies (ISIS) and Asia Forum Japan.

Japan has been non-committal on its stand on the EAEC while the U.S. have slammed the grouping as a potential trade bloc.

The economies envisaged in the EAEC, a concept mooted in 1991, are the six ASEAN countries, China, South Korea, Taiwan, Hong Kong and Vietnam. Malaysia has repeatedly assured that the EAEC was a poposal for consultations between East Asian economies.

Koh, who is director of the republic's Institute of Policy Studies (IPS), stressed that U.S. fears that the EAEC was a trade protectionist move was due to lack of information.

Attempts should be made as quickly as possible to hold a dialogue with the new U.S. Administration on the EAEC, he added.

Miyazawa Sees No Need To Revise PKO Law

OW1601123993 Tokyo NHK General Television Network in Japanese 1000 GMT 16 Jan 93

[From the "NHK News" program]

[Text] Prime Minister Kiichi Miyazawa held a news conference after he delivered a speech at a party in Bangkok. In connection with Japan's Peacekeeping Operations [PKO] Law, he made clear that he saw no need to immediately revise the law to allow Japan's participation in UN peacekeeping forces.

[Begin Miyazawa recording] I have always thought the most important thing for Japan to do is to reassure other Asian countries that it will never again become a military power. It now has about 700 personnel in Cambodia taking part in the UN peacekeeping operations there. ASEAN nations have indicated their understanding of this participation. I think this is a clear sign that ASEAN nations believe that Japan will never become a military power. [end recording]

Miyazawa also referred to a call for Japan's full participation in the UN PKO made by Malaysian Prime Minister Mahathir. He said that considering Japan's PKO Law, it would be best to take more time to see how Japan's operations in Cambodia are conducted. He said it is too early to decide on future actions in this regard.

In this way, Miyazawa indicated there is no need to immediately revise the law to allow Japan's participation in the UN peacekeeping forces.

Thailand's Surin Says Alatas To Seek Cambodian Peace

BK1901042793 Bangkok BANGKOK POST in English 19 Jan 93 p 7

[Text] Indonesian Foreign Minister Ali Alatas, as co-chairman of the Paris International Conference on Cambodia (PICC), will help push for national reconciliation among Cambodians, Deputy Foreign Minister Surin Phitsuwan said yesterday. Mr Alatas will make a stopover in Bangkok in one or two days' time, Dr Surin told reporters yesterday.

Mr Alatas' destination after Bangkok was not clear but observers noted that the trip could be linked to a planned meeting in Peking on January 28 of the Supreme National Council (SNC) of Cambodia.

Former Cambodian prime minister Prince Norodom Sihanouk, who has been in Peking for over a month, citing health problems, will chair the SNC meetmg. Representatives from the United Nations Transitional Authority in Cambodia (UNTAC) and the UN Security Council reportedly have also been invited.

The prince was due yesterday morning to grant an audience to Foreign Minister Prasong Sunsiri who carried a new peace initiative jointly drawn up by the Association of Southeast Asian Nations (ASEAN).

Dr Surin said he believed some headway would have been made at the meeting in Peking but he was not informed of the details. Squadron Leader Prasong left for Peking on Sunday and is due to return to Bangkok tomorrow.

According to a highly-placed source, the thrust of the ASEAN proposal calls for a scaling down of UNTAC and a bolstering of the clout of the SNC.

The three partners in the former anti-Vietnamese resistance represented in the SNC have persistently complained about UNTAC's alleged bias towards the Phnom Penh faction. The Khmer Rouge have demanded—as a main condition for their rejoining the peace process—the establishment of the SNC as the unique legitimate body and source of authority in Cambodia through the transitional period.

Fourteen months after the peace agreement was signed in Paris on October 23, 1991, the radical Khmer Rouge still refuses to disarm and allow UNTAC access to their zones. But UNTAC has made clear that it would push ahead with the general election to be held in April or May.

ASEAN is firmly in favour of ensuring conditions that would make possible the holding of orderly elections, Dr Surin said.

All Cambodian parties—including Phnom Penh and the Khmer Rouge—should want the early attainment of national reconciliation, he said. What remains to be worked out are the details, he added.

ASEAN last week voiced support for Prince Sihanouk's decision to run in presidential elections which the grouping believes will bring about a degree of stability necessary to the process of self-determination.

The idea of holding presidential elections was conceived by France—Indonesia's co-chairman at the PICC—and floated at the international meeting on Cambodia in Peking in November.

The timing of the presidential election is yet to be determined but Thailand has made clear that it is in favour of it being held before the polls for a constituent assembly. The consensus so far reportedly calls for the presidential election to be held "in conjunction with" the race for a seat on the constituent assembly. This assembly becomes a legislative body after completing its task of drafting the constitution.

Alatas Urges 'New UNSC Resolution' for Cambodia

BK2301071693 Jakarta ANTARA in English 0644 GMT 23 Jan 93

[Text] Phnom Penh, Jan 23 (OANA/ANTARA)—Indonesian Foreign Minister Ali Alatas confirmed reports that Cambodian presidential election would be held before the UN-sponsored polls due to take place in May.

After discussing the matter with Norodom Sihanouk and Chinese officials in Beijing and with Ranarridh in Bangkok and learning the position of all factions, we agreed to organise the presidential election before May, Alatas said upon arrival here Friday.

However, he said, it still needed a long journey to realize the presidential election proposal as the idea was not listed in the Paris accord. We need a new UN Security Council resolution to carry out the presidential election, he said.

Alatas made visits to Beijing, Bangkok, and Phnom Penh in his efforts to put into force the Paris agreement on the upcoming UN- supervised general election.

The minister said he has met Chinese Deputy Foreign Minister Xu Dunxin and Norodom Sihanouk in Beijing and had talks with Prince Ranarridh, Khmer Rouge leader Khieu Samphan and Thai Foreign Minister Prasong Sunsiri.

In Phnom Penh, Alatas expected meetings with Cambodian Prime Minister Hun Sen, non-communist faction leader Son Sann, Cambodia People Party (CPP) leaders and top UNTAC [United Nations Transitional Authority in Cambodia] officials, including Chief Yasushi Akashi and Commander Lieutnant General John Sanderson.

He resented the rejection of Khmer Rouge to participate in the elections, saying that Indonesia, other ASEAN countries, and the Paris conference are promoting comprehensive and just efforts aimed at reaching national reconciliation and elections in Cambodia.

The refusal by even one faction in the election will mean that there will be no comprehensive settlement on the Cambodian issue any more, he said. We want to learn reasons why Khmer Rouge insists on its rejection, he said.

Sources of the Security Council considered the Supreme National Council (SNC) as having not functioned as expected by the Paris agreement.

However, Alatas said a resolution ordering that the election had to take place as scheduled even if it was without the participation of the Khmer Rouge was needed.

The rejection by the Khmer Rouge would not threaten the unity of the Cambodian people, he said, adding that it would be a punishment for the Cambodian people if they failed to go to polls just because of rejection of only one faction.

The world community through UNTAC have spent much energy, time, and funds to seek comprehensive settlement to the Cambodian conflict, he said.

Australia Not To Bypass Indonesia on Cambodia

BK2501111093 Jakarta ANTARA in English 0834 GMT 25 Jan 93

[Text] Jakarta, Jan 25 (OANA/ANTARA)—Australian ambassador to Indonesia Philip Flood said here Monday that Australia will not step over Indonesia in promoting for a comprehensive and a just settlement to the Cambodian issue.

In a press conference in the eve of the Australian national day, January 26, the ambassador said that the two governments would always contact each other in solving the conflict in the civil war-torn country.

He said that Indonesian Foreign Minister Ali Alatas had spent time to [word indistinct] his Australian counterpart, Gareth Evans, during their visits to Phnom Penh. Flood said Australia was always careful in issuing statements on the Cambodian peace efforts which involved UN peace-keeping force and become the most expensive operation by the UN.

When the Cambodian talks were in a tough time some years ago, Australia surprised Indonesia with its proposal for the presence of the United Nations troops in Cambodia through a transitional authority to plan for election. But the misunderstanding between Indonesia and Australia in the matter was solved after the warring-factions in Cambodia reached a historical agreement called the Paris accords in a meeting co-chaired by Indonesia and France. Under the accords, the factions agreed on the formation of the United Nations Transitional Authority in Cambodia (UNTAC), disarmament and elections.

When asked about actions which Australia might take following the rejection of the Khmer Rouge in the Cambodian elections, he said that he was noting the capacity of speaking on the matter.

Meanwhile, the Cambodian peace talks have come to a new round after a proposal by ASEAN ministers on the possibility of holding a presidential election before the U.N.-supervised Cambodian polls due to take place in May.

Alatas said the proposal was supported by the U.N. and accepted by the dissident Khmer Rouge but it still needed a U.N. resolution to materialize the idea. He said the presidential election is expected to be held before May and the election had to take place on the scheduled time despite the boycott by the Khmer Rouge.

Leaving Phnom Penh Sunday, Alatas and Gareth Evans said they hoped the Khmer Rouge would not disrupt the Cambodian elections. Evans was confident about the smooth running of the election, saying that the Khmer Rouge "will not engage in disrupt in the elections."

"The Khmer Rouge are working on the assumption that they can achieve their objective without breaking down the electoral process," Evans said.

Japan

Coverage of 126th Diet Session Continues

Hayashi Addresses Session

OW2301015593 Tokyo NHK General Television Network in Japanese 0615 GMT 22 Jan 93

[Address by Finance Minister Yoshiro Hayashi at the opening of the 126th Diet session—live]

[Text] I would like to spell out the government's basic fiscal and monetary policies and explain the outline of the draft budget for fiscal 1993. I would also like to ask all of you to deliberate on the draft budget.

Japan's postwar economy grew by overcoming various difficulties, including the oil crisis. As a result, Japan's economy now holds important status in the world economy. However, Japan's economy is now facing problems which arose during the emergence and collapse of the so-called bubble economy, and the government is doing everything in its power to bring about an economic recovery. Learning from its past experiences, Japan should overcome this trial. The government intends to build Japan into a lifestyle superpower where everyone actually feels affluent, and to that end the government will shift from a policy of placing importance on producers to a policy of placing importance on consumers. Japan must contribute to the stable development of the world economy, contributions which are compatible with its international status.

I would like to explain the current economic situation in Japan and in other nations. Japan's economy is in the process of adjustment. While investments in housing construction are showing signs of recovery, public investments are growing. Last summer the government compiled a package of economic stimulus measures and is now working to implement the measures. The government gave full consideration to economic recovery when it compiled the draft budget for fiscal 1993, despite the unprecedentedly difficult fiscal situation. I am convinced these policy efforts will greatly contribute to sustained growth led by domestic demand in Japan's economy. Looking at the world economic situation, the world economy as a whole is in a moderate recovery, but the recovery varies from nation to nation. Revitalizing the world economy has become a major task. The EC has made progress in its market integration. The former Soviet republics and East European nations continue to move toward market economies. In this way, great changes are now taking place in the world economy. I intend to manage fiscal and monetary policies, taking into account the current economic situation at home and abroad. I also intend to do all I can to come to grips with various tasks, taking into account the path Japan has chosen to follow to prepare for the 21st century.

My first task is to bring sustained growth led by domestic demand to Japan's economy. From this point of view, I intend to manage fiscal and monetary policies while giving full consideration to economic recovery. From this standpoint, I have allocated spending for public works projects in the draft budget for fiscal 1993, and the spending is the highest growth rate ever. As for public investments and loans, as well as public works projects by local autonomous governments, I have allocated the largest amount of spending for them in the draft budget for fiscal 1993. In this way, I have secured sufficient spending in the draft budget for public works projects to be implemented by both central and local autonomous governments. As a result, public works projects will be implemented without delay at central and local levels. The government's economic outlook for 1993 forecasts an increase of 9.5 percent in government investments in public works projects. I will work to build Japan into a lifestyle superpower by improving housing quality. I will also work to increase investments in housing construction which stimulates the economy. With regard to monetary policy, interest rates and lending by financial institutions have continued to decline after the official discount rate had been lowered five times. The government expects the lowering of the official discount rate to generate further positive effects. The government also intends to stabilize exchange rates through policy coordination with major industrialized nations.

My second task is to promote fiscal reform vigorously. Looking at our nation's past finances, the issue of national bonds has been prohibited since 1975, resulting in large amounts of outstanding national bonds and a tight fiscal structure. The government, which had worked hard to restore its ability to deal with finances, at long last resumed issuing national bonds in 1990. Given this experience, it is clear that if national bonds are issued again, it would make the fiscal deficit chronic and make it very difficult for the government to stop depending on national bonds. The draft budget for fiscal 1993 forecasts a decrease in revenues from the year earlier, the first fall in revenues since 1983. Under these fiscal circumstances, the government resumed the issue of national bonds while working vigorously to make a thorough review of the fiscal system and expenditures. Meanwhile, the government has decided to increase the amount of national bonds to finance construction projects because of the need to stimulate the economy. As a result, outstanding national bonds are expected to amount to approximately 182 trillion yen at the end of 1993. The huge amount of money required to repay the national bonds is curbing fiscal spending. The purpose of fiscal reform is to restore fiscal ability to deal properly with financial needs at home and abroad and to build an economic society with affluence and vitality. As a basic direction of managing the fiscal and monetary policies, the government will not issue national bonds, which will leave a heavy burden to the next generation; instead, it will build a fiscal structure which is saddled with no outstanding national bonds. I am resolved to promote fiscal reform in line with the basic direction vigorously.

My third task is to work to build a harmonious external economic relationship and to make contributions to the development of the world economy. With increasing trade and investments, the world economy is increasingly becoming interdependent. I believe Japan needs to build a harmonious external economic relationship and to make positive contributions to the development of the world economy. Avoiding protectionist moves and maintaining and strengthening the multilateral free trade system is essential to develop the world economy and improve the living standards of people around the world. From this standpoint, I believe it is important for Japan to work together with other nations for a successful conclusion of the Uruguay Round, while seeking proper ways to settle difficult problems. As for the tariff system, the government is studying the possibility of abolishing the tariff quota system, giving other nations more access to the Japanese market. As regards Japan's economic assistance, the government is now providing Official Development Assistance [ODA] to assist self-help efforts by developing countries in line with the guideline of the ODA which was worked out last June. Regarding the accumulated debt issue, the government has defined the solution of the issue as one of important tasks for stability and growth of the world economy, and the government plans to continue efforts to resolve the issue. As regards Japan's assistance to the former Soviet republics, the government plans to cooperate with other major industrialized nations in helping them shift to market economies under new systems.

My fourth task is to stabilize the monetary system, to revitalize the stock market, and to deregulate and to internationalize monetary and capital markets. With regard to stabilizing the monetary system, the government will encourage financial institutions to make self-help efforts. It is important for the government to do its best to dispel the public distrust in the monetary system. To these ends, the government has taken various steps. Financial institutions are saddled with bad debts, and this has become an issue. It is important to dispel the public distrust in financial institutions, and to that end the government will work out plans to deal with the issue at the earliest date. The plans will be implemented step by step. The government will encourage financial institutions to found a private company which will take over the bad debts. In addition, banks will make public bad debts on their books at the end of March when their settlement of accounts are announced. The government is encouraging financial institutes to improve their lending capabilities by increasing their capital, with the aim of supplying necessary funds to enterprises.

As for steps to revitalize the stock market, in 1993 the government will create a system under which public funds are used on a selective basis to stabilize and vitalize the stock market. The government has taken steps to create a stock accumulated-debt investment system, to flexibly manage the employee stock-holding system, and to improve the futures transaction system. Internationalizing and deregulating the monetary market will meet the people's wide-ranging needs and contribute to the development of Japan's economy. At a time when market integration is becoming worldwide, expectations are growing that Japan is an important world market, and I believe meeting these expectations is of great significance. From this point of view, the government plans to complete the deregulation of interest rates on fixed-term deposits by the end of this September. The government will work to completely deregulate the interest rate on liquid deposits during 1994. The reform of the monetary system is of great significance because it aims to develop the monetary market through the promotion of efficient and proper competition. The government plans to promote reform steadily and smoothly. Last December, the government decided on concrete steps to promote reform; the steps included encouraging mutual participation between financial institutions and securities companies, and reviewing the dealing practices and the government's various ordinances. The government plans to make preparations to enforce the Monetary System Reform Law in April.

I would like to briefly explain the draft budget for fiscal 1993.

When the government disburses the budget for fiscal 1993, it will seek to make a thorough review of the system and expenditures, and to streamline them. The government will seek to efficiently distribute fiscal resources in response to the current social and economic situation, while giving full consideration to both the economic recovery and the plan to build Japan into a lifestyle superpower. As for subsidies, the government will reduce and streamline them also. The government plans to introduce for deliberation a bill on the government's subsides. Given the current fiscal situation, the government will postpone the repayment of 698.3 trillion yen in national bonds and other debts carried over from fiscal 1992 in order to avoid issuing deficit-covering bonds.

Spending for public works projects will be increased to stimulate the economy, and the priority in public works projects will be given to areas related with the people's living conditions. The government will introduce for deliberation a bill on the repayment of the government's debts. As for the fixed number of government officials, the government plans to cut 1,215 officials from administrative organizations. As a result, general expenditures for fiscal 1993 will amount to 39.986 trillion yen, and the general account budget—including the government's subsidies to local autonomous governments—will amount to 72.355 trillion yen.

Next, I would like to explain government revenues. With regard to tax revenues, the government will revamp and streamline special tax measures with the aim of imposing taxes fairly and justly in response to the tight fiscal situation and the changes presently taking place in the social and economic situation. The government also plans to hastily take the necessary steps to secure financial resources for agriculture, forestry, and fisheries as well as for the 10th five-year plan for upgrading roads. As for the imposition of taxes, the government intends to work to impose taxes fairly and justly, while seeking cooperation from the people. The government plans to issue 8.130 trillion yen in national bonds.

As regards fiscal investments and loans, the government will give full consideration to the economic recovery. In particular, the government will make the most of its fiscal investments and loans to build Japan into a lifestyle superpower. To that end, the government will allocate the budget for fiscal 1993 to the upgrading of infrastructures, the construction of more housing, and the tackling of environmental problems.

As a result, the government's fiscal investments and loans will amount to 45.776 trillion yen, up 12.2 percent from the original plan in 1992. The government's general fiscal investments, excluding spending for fund management business, will amount to 36.595 trillion yen, up 13.4 percent.

I would like to now explain major spending. As for spending for public works projects, the government will increase such spending in order to stimulate the economy. Priority within public works projects will be given to housing construction, the improvement of sewages, and the improvement of sanitary conditions which are closely related with the people's living conditions. The government will give full consideration to the local situation. Regarding housing construction in particular, the government will raise the lending ceiling of the Housing Loan Corporation. As regards spending for social security, the government will steadily promote the 10-year strategy for promotion of senior citizens' insurance, with the aim of building a welfare society with vitality. The government plans to take steps to deal with AIDS. As regards promoting education and science, the government plans to review the current burden shared by the central government and local autonomous governments for the education administration budget. The government will also take steps to improve higher education and will take special measures to promote science and technology.

As regards steps for small businesses, the government will give consideration to the difficult business circumstances surrounding small businesses. The government will also encourage small businesses to make the most of local advantages.

As regards spending for agriculture, forestry, and fisheries, the government will foster the formation of efficient and stable farming organizations to deal with the foreign and domestic situation surrounding Japan's rural communities and agriculture. The government will also take special steps to make the farming organization play a key role in Japanese agriculture.

As regards economic cooperation with other nations, the government will pay special consideration to grant-type aid and technological cooperation in order to contribute to the development and peace of the international society

As regards the defense budget, the government will curb it as much as possible, taking into account both the recently revised Mid-Term Defense Build-up Plan and the current tight fiscal situation. The government also will work to balance the defense budget as a whole.

With regard to energy, given Japan's weak energy supply capability and the importance of preserving the earth's environment, the government will work to promote comprehensive energy measures.

Regarding the finance of local autonomous governments, the government will urge local autonomous governments to expand their public works projects, while giving full consideration to economic recovery. The government will also make a correct estimate of their revenues and expenditures, and will secure the necessary subsidies for them.

I have spelled out the draft budget for fiscal 1993.

I would like to ask all of you to deliver the draft budget.

In the 21st century, Japan will enter a full-fledged senior citizens' society. Japan has thus far overcome many difficulties with the help of the people's diligence, creativity, and efforts. With this in mind, the government will promote reform. This will make it possible for Japan to build an economic society with affluence and vitality in which every Japanese can enjoy prosperity and stability in the future, and in which Japan can plan its role compatible with its status in the international community. I intend to face the various tasks I have just mentioned, and I will do my best to accomplish them one by one in the future. I would like to solicit the cooperation and understanding of the people.

Funada Address

OW2301114193 Tokyo NHK General Television Network in Japanese 1639 GMT 22 Jan 93

[Text of speech by Hajime Funada, director general of the Economic Planning Agency, at the opening of the 126th Diet session at the House of Representatives in Tokyo—live]

[Text] I would like to state my views on the urgent tasks for the Japanese economy and on fundamental ideas of economic management. We are obliged to make severe adjustments to the Japanese economy. In addition to the business cycle, which is a normal factor, assets were sharply deflated when the so-called bubble collapsed and the effects are being felt in the various sectors of our economy. In that sense, we have not experienced an economic situation similar to the current sluggish economy since the stable growth period of the Japanese economy started. Needless to say, the first task of today's economic management is to make an early recovery from this economic stagnation. However, such efforts for an economic recovery must be linked to reform of the economic structure and supported by steady consumption and a healthy business structure. Moreover, they also have to be instruments for the realization of improving the quality of life. Conversely, we should view today's severe economic situation as an opportunity to promote reform and action for improvement of the quality of life.

Let me talk about the international situation. Now that the East-West cold war era is over, the merger of former members of the planned economic community into the free economic system and the formation of a borderless EC and North American market are being promoted. In this way, the world economy is quickening its new movement, centered around the principle of the market economy, toward the 21st century. However, there is a hidden danger in such a movement to reshuffle the world's economic order. That is, such a movement is liable to be linked to exclusive regionalism. The new movement should not contradict the formation of a framework for a world economy in the new era or violate the doctrine of the free trade system based on globalism, which thus far has supported the development of the world economy. To do that, it is important for many countries, including Japan, to cooperate with each other for the formation of a new world economy. They should do that while respecting the fact that these countries' economic systems, which attach importance to the principle of market mechanisms, differ from each other in terms of history, culture, and developmental stage. At the same time, these differences should not be obstacles to free trade.

I believe now is the time for us to take a big step toward the new century by combining the government's policy formulation efforts and the people's wisdom and hard work to tide us over the current difficulties and to deal with the tasks imposed on Japan at home and abroad.

Now, I would like to state my views on the economic situation at home and abroad as well as on the fundamental policies of economic management for fiscal 1993.

First, as you look at the trend of the world economy, you will note that there are good signs of recovery in the U.S. economy. The United States, under the leadership of the new President Clinton, is about to buckle down to the task of economic reconstruction aimed at strengthening the competitive power of American companies and reducing the financial deficit.

The EC nations achieved market integration at the beginning of this year. But, the overall economic situation in the EC is still stagnant. Although there are good signs for the future in parts of the former Soviet Union and East European nations, a difficult situation still continues in general.

Asia, on the other hand, continues to have steady expansion. It is making remarkable development in terms of the overall world economy. Moreover, there are signs of economic recovery in such places as the Central and Latin American nations while international cooperation for settlement of debt issues is being promoted.

Regarding the trend in the Japanese economy, there are signs of recovery in housing project investment. Also, the government is steadily making public investment. However, activities primarily in the fields of private consumption and capital investment are still sluggish. Accordingly, production is in a stagnant state. In addition, a sharp drop in stock and land prices is creating fears, and people are apprehensive about the stability of the financial system and other matters. At the same time, such apprehension is creating a negative influence on the actual economy. The Japanese economy is confronted with a severe situation.

On the other hand, the balance of current accounts continues to be on the plus side. It is continuing to expand significantly, exceeding the growth level of the previous year. To deal with such a situation, the government, in addition to the emergency economic measures enacted last March, drafted the most comprehensive economic measures in our history last August, including measures to expand domestic demand and financial measures. Government agencies are united together for smooth implementation of the comprehensive measures. The government is doing its best to enable the people to feel the impact of these measures soon. However, judging from the trend of the current economic situation, it seems that actual economic growth for fiscal 1992 will be some 1.6 percent.

On the basis of these economic situations, I will treat the following points in particular as foundations of my economic management for fiscal 1993:

The first task is to shift the Japanese economy, which is in a state of adjustment, as soon as possible back to the path of noninflationary and sustained growth powered mainly by domestic demand. Because of this, I have decided, despite the most severe financial situation we have experienced in recent years, to give thorough care in the fiscal 1993 budget to economic measures, including active expansion of public investment and the boosting of measures to promote housing project investment. I will do that through governmental and local agencies.

Regarding public investment in particular, I secured a 4.8 percent increase, which is the largest percentage in recent years. In addition, I also extended the execution period of public works under the financial investment and loan plan and projects to be undertaken on the sole authority of local governments to 12.4 percent and 12 percent, respectively. These are the largest growth rates in recent years. I believe we will be able to continue to secure a high standard of public investment as a result of these extension measures and because of the substantial amount of additional public investment, which will be realized through last year's comprehensive economic measures.

I am of the opinion that we need to continue to execute financial measures in an appropriate and flexible manner while paying close attention to the trend of the domestic and foreign economies and to the current international situation. At the same time, based upon comprehensive management efforts for streamlining the financial and securities sectors, I want to continue to work to ensure the stability of the financial system. Needless to say, stable prices are a foundation of people's stable lives. It also strengthens consumers' trust in the future. Therefore, I will do my best to maintain stable prices. Moreover, I will exert efforts for smooth implementation of small-business policies. At the same time, I will continue to promote measures designed to prevent unemployment and to stabilize employment. It is expected that the Japanese economy in fiscal 1993 will move smoothly back to the path of noninflationary and sustained growth powered by domestic demand if we execute the government measures I have just explained in addition to the private sector's self-help efforts. It is estimated that the real economic growth rate for fiscal 1993 will be some 3.3 percent.

The government will do its best to implement appropriate and flexible economic management while continuing to carefully watch the economic trend and giving consideration to economic policy coordination with major countries.

The second task is to realize a plan, designed to make Japan a quality-of-life superpower, in line with the five-year economic plan. I think this year is the year to make the first real steps toward implementation of the plan. Accordingly, the fiscal 1993 draft budget represents an effort to earmark priority funding to housing, sewage systems, sanitation facilities, and other areas impacting directly upon living conditions. We will continue to strongly implement the government's measures.

Regarding social overhead capital, I will actively facilitate social capital related to people's lives by effectively distributing public investments on the basis of the political goals and other matters which are spelled out in the economic plan from the consumers' standpoint. Moreover, I will promote a plan designed to expand the supply of quality housing and improve the living environment from the viewpoint of enriching housing and living conditions. In particular, I will steadily promote comprehensive land measures to make it possible for an ordinary wage-earner to buy quality housing for about five times his or her annual income. At the same time, I will improve housing policies and other measures.

Regarding shorter working hours, I will promote [word indistinct], including efforts and voluntary measures by workers and their employers for realization of the 40-hour work week to achieve the target of 1,800 work hours per year. Moreover, in addition to promoting measures designed to help workers spend their free time efficiently, I will create an environment in which all Japanese—including women, aged people, and handicapped people—can participate in society. I will also steadily promote the 10-year strategy for aged people's health and welfare.

Regarding price differences at home and abroad, I will continue to correct and to reduce them. I will review the current systems and customs from the viewpoint of attaching importance to private life to realize affluent, safe, and versatile living.

Regarding administrative measures for consumers, I will actively and comprehensively promote such measures, including a plan to provide information through people's centers to enable consumers to enjoy a safer and affluent consumer life. They are the measures approved at a meeting for the protection of consumers.

While taking the characteristics of products and other matters into consideration, the government will energetically study product liability-oriented measures for the prevention of comprehensive damages and for providing aid to consumers on the basis of the spirit of the report the Council for People's Living prepared last year. I hope the same council will give us the results of its further study this year.

Moreover, I will seek distinctive development of national land by correcting the centralization in Tokyo and by creating attractive regions. At the same time, I will promote measures for conserving natural resources by setting a goal of establishing a society which matches with the environment. I will continue to reexamine the measures spelled out in the economic plan.

Third [as heard], I will take the initiatives of maintaining and strengthening the free trade system by changing the economic structure in such a way that it will maintain harmony with international society. At the same time, I will make active contributions for balanced economic relations with other countries and for activation of the world economy. To attain harmonized balance with other countries, Japan, which continues to enjoy a large trade surplus, needs to make further efforts in promoting structural coordination in such fields as realization of economic growth led by domestic demand and market liberation. From this viewpoint, I will make further improvement in market access through the process of strengthening the activities of the OTO [expansion unknown], or the headquarters for the settlement of complaints regarding market liberalization.

The GATT Uruguay Round is the key to maintaining a future free trade system, and Japan will continue to make further efforts for its successful conclusion.

We, as a close partner of the United States, will continue our efforts for the development of good Japan-U.S. economic relations. At the same time, we will continue to cooperate with the Clinton administration in the field of the international economy.

We are promoting discussions with the EC at various levels, including Japan-EC ministerial meetings. However, we will continue to strengthen our cooperative ties on the basis of the Japan-EC joint declaration.

Regarding economic cooperation toward developing countries, the government will increase its aid to those nations and will make more appropriate cooperation in accordance with the ODA [Official Development Assistance] outline. In providing ODA, the government will have to take into accout the need for balancing between environmental protection and development and for disapproving donor recipients from using ODA funds for military purposes. Global issues such as population and refugee problems should also be considered. Also, while further promoting cooperation through trade and investment, Japan will take measures to boost the reflux of capital. In addition, it will promote aid in the intellectual arena. The Asia-Pacific region will function as the centerpiece for the development of the world economy in the future. Thus, Japan needs to promote cooperation in various fields, including the economy, trade, investment, and personnel training. Although countries in the region have strengthened their unity, the region should be open to outside countries for the development of the world economy. Japan will have frequent talks on this issue with other countries.

To support the major task of former controlled-economy countries' to make a smooth shift to a market economy while stabilizing the economy, Japan will provide appropriate intellectual aid.

The global environmental issue is a grave problem that the world should tackle urgently with a far-sighted view. Making the most of its experience and skills, Japan will make efforts to resolve this issue in cooperation with other countries.

These are my policies to tackle the primary urgent issues Japan is facing and to manage the Japanese economy. The birth and bursting of the bubble economy have brought up many problems the Japanese economy has potentially had. However, this bitter experience made us aware that a stable economic growth is possible only when it is backed by sound management and steady spending habits. Currently, corporations are making all-out efforts to restructure their entire business activities. They are trying to enhance their earning power and improve the product and service supply system to cope with changes in consumers' spending habits and lifestyle. Thanks to people's ceaseless efforts during the last half a century since the end of the war, Japan was able to overcome various economic difficulties and has achieved a remarkable economic development. I am confident that with the creative spirit of enterprise and energy for actual economic activities as well as the government's appropriate economic policies, Japan will be able to overcome the current difficulties and achieve a long-term, stable growth. It will also be able to achieve the goal of becoming a lifestyle superpower befitting its economy. In response to the wishes of our ancestors, I am determined to make an all-out effort to realize continuous economic growth. We have to keep in mind that Japan's economic development was possible because of a free trade system and that Japan was a beneficiary of the system.

Now that Japan has become a major economic power in the world, it is expected to participate in efforts to establish a new world order in a more active manner. The summit talks of the Group of Seven industrialized nations are scheduled to be held in Tokyo in July. We hope the world economic system in the new era will yield each nation a real profit. I propose for Japan to actively participate in efforts to establish the framework of and rules for the system. I ask the people to give their support and cooperation.

Miyazawa Discusses Reform 25 Jan

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[Text] Tokyo, Jan. 25 KYODO—Prime Minister Kiichi Miyazawa on Monday reiterated his resolve to carry out political reforms to regain public trust in politics following a major money-and-mob scandal. Miyazawa told the House of Representatives plenary session he deeply regrets the Tokyo Sagawa Kyubin scandal and added that the government will cooperate in investigations as much as possible.

He was responding to questions by Sadao Yamahana, chairman of the Social Democratic Party (SDP), Hiroshi Mitsuzuka, chairman of the Policy Affairs Research Council of the ruling Liberal Democratic Party (LDP), and Koshiro Ishida, chairman of Komeito. Yamahana called for the summoning of former Prime Minister Noboru Takeshita and Ichiro Ozawa, former LDP secretary general, to testify before the Diet on their alleged involvement in the scandal. Takeshita testified in the extraordinary Diet session last December and denied he was involved in silencing a right-wing group's 1987 smear campaign against him.

"Takeshita's testimony not only failed to reveal the truth but only increased doubt," Yamahana said, adding that Takeshita is strongly suspected of giving false testimony.

Justice Minister Masaharu Gotoda said prosecutors are conducting "appropriate" investigations into the flow of the 500 million yen which disgraced political kingpin Shin Kanemaru is suspected of having distributed to some 60 politicians.

In a related move Monday, the SDP, Komeito and Democratic Socialiet Party called for Takeshita and five others to be summoned to the Diet to testify over their alleged involvement in the Tokyo Sagawa Kyubin scandal. Among those the three parties demanded be summoned were Ichiro Ozawa, Kiyoshi Sagawa, founder of Sagawa Kyubin Co., and Marahisa Haibara, Kanemaru's former political secretary. The Japanese Communist Party also called for Kanemaru to be summoned.

Kanemaru, former LDP vice president, was summarily indicted last September on violation of the political funds control law for receiving 500 million yen in illegal donations from the Tokyo Sagawa trucking firm. Prosecutors decided late last December neither to indict

Kanemaru for paying other politicians money he had received in an illegal donation, nor to charge the politicians receiving the money.

Miyazawa also told the lower house plenary session the introduction of a simple, single-seat constituency system is the most appropriate way of drastically reviewing current medium-sized constituencies. He said the system would be easily understood by the public. The LDP proposed last December to introduce the system for the 512-seat lower house as the main pillar for its political reform plan.

Touching on growing calls for revising the Constitution, Miyazawa said there is not yet any public consensus for such move. Foreign Minister Michio Watanabe has called for a constitutional revision to enable the Japanese contingent in the U.N. peacekeeping force in Cambodia to join activities that could involve the use of force. His proposal also won support from Mitsuzuka. Article 9 of the Constitution bans the use of force to resolve international conflicts.

Yamahana proposed debates on issuing short-term deficit-covering bonds to fund an income tax cut. Ishida urged the government to implement a 4-5 trillion yen income tax reduction by issuing such bonds.

Miyazawa responded negatively, saying if the budget for fiscal 1993 is approved in addition to the already approved supplementary budget for fiscal 1992, it will have a great impact on the economy. He also said the government compiled the 1993 budget so as not to have to issue deficit-financing bonds.

Panel Discusses New Ties With U.S.

OW1901021493

[Editorial report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 17 January 1993 carries a 60-minute live panel discussion program entitled "A New Japan-U.S. Era—Analysis of the Clinton Administration." NHK commentator Yasuhiro Kashina acts as moderator, the panelists are: Nobuo Matsunaga, government representative in charge of foreign affairs and former Japanese Ambassador to Washington; Terumasa Nakanishi, professor at Shizuoka Prefectural University; Naoki Tanaka, commentator; Glan G. Fukushima, chief of the Japan headquarters of AT&T and former assistant to the U.S. Trade Representative.

There is a 10-minute discussion of the latest U.S.-led allied air strikes against Iraq. Without exception the panelists support the action.

Following this an unidentified NHK announcer briefly runs through the personnel in the Clinton Cabinet and Kashina then asks panelists for their views on the lineup. Tanaka says the "Clinton administration will focus on cutting the federal budget deficit," adding that it will take a long time for the new administration to set out its trade and security policies. He also says that Treasury Secretary-designate Bentsen and Panetta, Clinton's choice as director of the Office of Management and Budget, will play a key role in cutting the federal deficit budget.

Nakanishi says the "Clinton administration will pursue a foreign policy of advancing democracy and promoting human rights."

Fukushima characterizes the new cabinet lineup as "ethnically diverse" and says "the Clinton administration will do everything in its power to reconstruct the U.S. economy," adding that it will seek continuity and stability in foreign policy and that no drastic changes are expected foreign and security policy.

Fukushima also says the "new administration's trade policy is unpredictable."

Matsunaga says: "My impression is that the cabinet is composed of competent people. It contains people whose views differ a little and this indicates to me the Clinton administration will deal cautiously with future events. My feeling is that the U.S.-led allied air attack on Iraq unequivocally shows the world again that the United States will continue to assume great global responsibilities. Needless to say, the reconstruction of the U.S. economy is the top priority for the Clinton administration."

Kashina wonders about the aim behind the establishment of the National Economic Council. Tanaka says the "council may have problems in the future."

Kashina then turns to the more general topic of future U.S. economic and trade policies. Fukushima says the "Little Rock economic conference focused on domestic economic problems, leaving international issues out in the cold."

Tanaka says: "Asia will increasingly become an important region to the United States, particularly with U.S. exports to the region registering the highest growth in the world. The United States will move toward export-oriented growth with the aim of creating more jobs and spurring economic activity. Basically, such a U.S. economic strategy will not clash with Japan's. The United States, trying to boost its exports, will ask Japan to open up its market a little more. The United States is not happy with the present openness of the Japanese market, and I believe Japan must look at policy measures to open up its market step-by-step. I do not think the United States will bash Japan for more market access. I believe the United States will seek co-prosperity with Japan."

Matsunaga says: "I believe that the Clinton administration will pursue balanced policies based on reality. Americans respect results, and if those policies fail to yield visible results, it will cause major problems. I do not think the Clinton administration hopes for any drastic changes in relations with Japan. As is well known, the United States is saddled with twin deficits. The correction of the trade and current account imbalance between Japan and the United States will be a major task. Japan registers a $100 billion trade surplus and a huge current account surplus. Although they do not stem completely from an economic imbalance in Japan-U.S. relations, the United States believes there is a big economic imbalance between the two countries. I believe the United States will demand the correction of this imbalance, claiming that it should not be left as it is. The Clinton administration's Japan policy, though hard to predict, will therefore focus on building economic relations with Japan."

Fukushima says: "As Mr. Matsunaga said a while ago, the Clinton administration will pursue realistic policies compared with the Republican administration which has pursued a free trade policy over the past 12 years. The new administration will place great importance on visible results. I do not believe that the Clinton administration will immediately move toward protectionist and managed trade. As Mr. Nakanishi pointed out, Mr. Clinton will have the final word after listening to various views, as he did while serving as governor. He will respect the clash of opinions and will set a balanced policy. As for Japan-U.S. relations—friction or confrontation could occur between the two countries in specific areas in the short term, but economic relations between the two will move in a good direction in the medium and long term."

Kashina then asks about the creation of a new framework for dialogue between Japan and the United States.

Matsunaga says: "A new administration is being formed in the United States, and this provides a good opportunity for the two countries to review Japan-U.S. relations from a different point of view. I believe that building cooperative relations between the two countries is necessary not only for Japan, but for the United States. Long term, the two countries should think of building a new framework to tackle the various issues between them, and this is of significance. I think it important for the two countries to deal with the issues with a fresh feeling. In such a case, Japan must remember that it needs the United States. At the same time, cooperative relations with Japan are essential to the United States. What is important is that the two countries fulfill their responsibilities on an equal footing. I think there will be problems, even if a new framework is created, if Japan is not prepared to fulfill its share of responsibilities and play its full role to that end."

Tanaka says the "Clinton administration will deal pragmatically with events and its handling of issues concerning Japan will change in response to the way the Japanese Government deals with the same issues."

Tanaka also stresses that the Clinton administration will be different from the Republican administration.

Matsunaga agrees, saying: "The new administration will decide what is right and wrong. It will regard what is good as good and what is bad as bad, and deal with things this way."

Kashina asks about the Uruguay Round of trade talks.

Tanaka says: "If the Americans feel strongly that the Uruguay Round has not been properly concluded because of the EC's refusal to make concessions and Japan's failure to take the necessary steps to open its markets, including the rice market, it could prompt the U.S. Congress to toughen its attitude toward Japan."

He continues: "If the Uruguay Round does not proceed well, this would give the United States a justification to raise for discussion with Japan the individual trade issue. This is what most concerns me."

Nakanishi says: "What is important for Japan is to seek sustained growth led by the expansion of domestic demand to reduce Japan's current account surplus. It must also work to open up its market."

He says: "As the Uruguay Round cannot be concluded successfully without Japan's cooperation, Japan should make contributions to a successful conclusion of the round."

Nakanishi also stresses that Japan must seriously think of how it can use its current account surplus to contribute to the development and recovery of the world economy.

Kashina then asks about the Clinton administration's China policy.

Nakanishi says: "The Clinton administration's China policy is not only related to the Sino-U.S. relationship."

He says that it will be hard for the new administration to formulate a new China policy, but that the new administration will eventually formulate a policy which takes account of the reconstruction of the U.S. economy.

Kashina then asks about Japan-U.S. summit talks.

Matsunaga says: "I do not think any specific decision has been made about the summit talks. Future Sino-U.S. relations will have a great impact on the world, and there are many other issues to be discussed between Japan and the United States. I believe it is important to hold Japan-U.S. summit talks as soon as possible."

He also says: "The Tokyo Summit will be held in July and there is the issue of how Japan should deal with the Uruguay Round. There is also the issue of how Japan should handle relations with Russia. As I mentioned earlier, there are also economic issues between Japan and the United States. Therefore, the direction that Japan-U.S. relations take in the future is a major issue affecting not only Japan and the United States, but the rest of the world."

Opposition to U.S. Tariff Hike To Heighten

OW2101093193 Tokyo KYODO in English 0918 GMT 21 Jan 93

[Text] Tokyo, Jan. 21 KYODO—The chairman of the Japan Automobile Manufacturers Association said Thursday his association cannot accept a possible raise in U.S. Customs duties on minivan imports.

Yutaka Kume, who is also president of Nissan Motor Co., made the remark at a news conference while commenting on reports that the administration of President Bill Clinton may increase the duties on minivan imports, most of them from Japan. Vice President Al Gore, sworn in on Thursday, had earlier suggested such a raise is likely.

Kume said Japanese automakers cannot afford to accept a reportedly contemplated raise in duties from the current 2.5 percent to 25 percent, adding that Japanese firms plan to step up their campaign to oppose a hike in the duties.

U.S. Criticized for Proposed Tariff Hike

OW2501073893 Tokyo KYODO in English 0724 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Japan criticized the new U.S. Administration of President Bill Clinton Monday for moving to raise the tariff on imported minivans to 25 percent from the present 2.5 percent. The proposed tariff rate equals that imposed on imported trucks.

Yuji Tanahashi, vice minister of international trade and industry for international affairs, told reporters the tariff hike constitutes a violation of the General Agreement on Tariffs and Trade (GATT), adding minivans will never be regarded as trucks under any circumstances. In connection with a U.S. decision to impose tariffs on Honda cars made in Canada, Tanahashi said the Japanese automaker has no obligation to pay the tariffs when the North American Free Trade Agreement takes effect.

U.S. tax authorities served notice to the U.S. subsidiary of Honda Motor Co. in 1989, seeking 16 million dollars in tariffs on 2,000 Honda cars shipped to the U.S. market from its Canada plant.

Tanahashi said the U.S. notice is regarded as a step to prevent the expiration of the statute for a four-year limitation on the right of claims.

Tokyo Supports Latest U.S. Strike on Iraq

OW2201030793 Tokyo KYODO in English 0214 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Japan voiced support Friday for the latest U.S. air strike against an Iraqi missile site.

Chief Cabinet Secretary Yohei Kono said Japan's policy of supporting U.S. efforts to ensure UN resolutions are executed is unchanged.

The U.S. European command said two U.S. warplanes struck an Iraqi missile site in northern Iraq after the missile battery's search radar was targeted at the aircraft.

Iraq denied the charge, saying its battery radar has not locked on any plane since Iraq announced a ceasefire January 20.

Clinton Administration Policy on Okinawa Viewed

OW2401065993 Naha RYUKYU SHIMPO in Japanese 20 Jan 93 Morning Edition p 5

[Editorial: "The Inauguration of Clinton Administration"]

[Text] Bill Clinton will be formally inaugurated as the 42d President of the United States after attending a swearing-in ceremony at Capitol Hill on the morning of 20 January (early in the morning of 21 January Japan time).

Mr. Clinton was elected in the presidential election held last November with the support of Americans who crave for "changes." A baton will be handed over by President Bush of the World War II generation to 46-year-old President-elect Clinton of the post-World War II generation.

Mr. Clinton's inauguration as President of the United States means the birth of a young Democratic administration following the end of the cold war. The world is paying attention to what sort of policies the new President Clinton will pursue. Since Japan has maintained very close relations with the United States in the political, economic, and trade fields, Japan needs to keep a close watch on the new U.S. Administration's Japan policy. Nevertheless, Japan should maintain relations and cooperation with the United States, which the two countries have regarded as indispensable regarding what such cooperation has thus far accomplished. We would like to ask the Japanese Government to deal calmly with the issue of trade imbalance between the two countries and the issue of opening the Japanese rice market.

Since many U.S. military bases are concentrated in Okinawa, we intend to watch what foreign and security policies the Clinton administration will pursue in the future.

Under the present world situation, the collapsed East-West cold war structure is not likely to be resurrected. So far, the U.S. Government, like or not, has led the world before and after World War II. The new President Clinton was born during post-war years. We think that given that fact, the new U.S. President will deal with U.S. military bases in Okinawa from a new point of view and with new ideas. Needless to say, we do not hope for drastic changes in the military bases, but we expect the new U.S. President to slowly reduce and streamline the military basis in Okinawa. We want to strongly request that he move in that direction.

The reconstruction of the U.S. economy is at the top of the Clinton administration's agenda. During his election campaign, he promised this, and Americans are said to have supported his promise. Attention will focus on what sort of steps to reconstruct the U.S. economy he will set forth in his inaugural address. It is safe to say that the reconstruction of the U.S. economy will determine the future of his administration. Now, however, there are many worrisome things. During his election campaign, Mr. Clinton promised that he would cut the fiscal deficit in half during his term, but he is now saying that it would be difficult, citing a gloomy outlook for the fiscal situation. His promise of cutting taxes for the middle class has dropped from his agenda of top priorities, and some of his aides are voicing the need to raise taxes. In this way, his economic policy has yet to be firmed up.

It is well known that in the United States, Americans hold Japan responsible for U.S. economic woes, some Americans are advocating protectionism, and Japan bashing is gaining force, thereby triggering an emotional confrontation between the peoples of the two countries. If the U.S. economy is unstable, it would put Japanese-U.S. friendly and economic relations in danger, and Japan needs to watch future developments in the United States. On the other hand, Japan should cooperate with the United States as much as possible.

The new President will have to deal with frequently occurring international conflicts, and this will be a major task for him. He will have to deal with the Iraqi crisis, U.S. troops now in Somalia on a humanitarian relief mission, and the issue of whether the United States intervenes in the ethnic conflict in Bosnia-Herzegovina. There are a host of international issues that will test his diplomatic ability. He might not be able to focus on the domestic economic policy. How will he settle international conflicts in concert with the United Nations and other nations? How will he build a new international order and a new world peace following the end of the cold war? The ability of President Clinton as a leader of the world will be tested in the future.

USMC Asked To Cancel Live-Fire Exercises

OW2501082793 Naha OKINAWA TIMES in Japanese 23 Jan 93 Morning Edition p 2

[Text] On 22 January, the Okinawa prefectural government asked the Naha Defense Facilities Administration Bureau [DFAB] and the U.S. Consulate General on Okinawa to cancel the first consecutive four-day live-fire exercises which the U.S. Marine Corps [USMC] plans to begin on 26 January.

Kacho Hanashiro, the governor's executive deputy director, met with Tatsumi Oba, facilities coordinator at the DFAB, and handed him the letter of request for cancellation and abolition of the live-fire exercises across prefectural Highway 104, addressed to Tadayuki Someha, DFAB general director, by Vice Governor Hirokazu Nakaima.

Mr. Hanashiro requested the cancellation of the exercises, saying: "Four consecutive days of exercises have been unheard of, and these exercises will have worse effects on the Okinawan people than other exercises in the past. It is regrettable that such exercises are to be conducted."

Coordinating officer Oba replied: "Since the exercises will be conducted for only half a day on two of the four days, we consider that the exercises are actually three days long. We have asked the USMC to conduct exercises in a manner not affecting the local people, but the DFAB cannot ask that the exercises be canceled."

As for the reasons why the exercises cover four days, the coordinating officer, while noting that "this has not been confirmed," said: "The USMC explains that it plans to conduct operational training while moving equipment from one gun emplacement to another." As for the length of the exercises, the one on the first day will last from noon till 1600, and the last day's from 0800 to noon. Therefore, the DFAB explains that it understands the effects of the exercises will actually be experienced for only three days.

Trade With China Reaches $28.9 Billion in 1992

OW2201132293 Tokyo KYODO in English 1132 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Japan's trade with China grew 26.7 percent in 1992 from the previous year to 28.9 billion dollars, a record high, the Japan External Organization (Jetro) announced Friday. The amount should surpass 30 billion dollars in 1993 as the two-way trade between Japan and China is on an upward trend, Jetro officials said. The figures are based on Ministry of Finance statistics, they said.

Jetro attributed the expanded trade amount to China's recent trade liberalization, including the lifting of bans on imports in order to avoid possible trade frictions with foreign nations.

Japan's exports to China rose 39.2 percent in 1992 from the year before to reach 11,960 million dollars. Machinery tools, which accounted for more than half of all exports, jumped a hefty 61.7 percent. Japan's imports from China advanced 19.2 percent to 16,950 million dollars. The rise is attributable to growth in agricultural and clothing products contracted for by Japanese companies, they said.

China was Japan's fifth most important trade partner in 1992 as in the previous year, but the trade ran in China's favor for the fifth consecutive year, they said.

Russia Said Opposed to Early Yeltsin Visit

OW2301130193 Tokyo NHK General Television Network in Japanese 1000 GMT 23 Jan 93

[From the "NHK News" program]

[Text] It has been learned that at the foreign ministerial meeting [in Paris] between Japan and Russia on 13 January, the Japanese side stated that to bring about President Yeltsin's attendance at the Tokyo summit, it is necessary for President Yeltsin to visit Japan as soon as possible before the summit. In response, the Russian side made a counterargument, saying the issue of Yeltsin's visit to Japan should not be linked with the Tokyo summmit.

Relations between Japan and Russia have remained deadlocked following President Yeltsin's sudden cancellation of his visit to Japan last September. Since then, the Japanese Government has been saying it has not decided whether it will invite President Yeltsin—who was invited to the Munich summit last year—to the Tokyo summmit in July.

When the meeting between Foreign Ministers Watanabe and Kozyrev was held in Paris on 13 January, it was reported that Foreign Minister Watanabe said that if the president visits Japan before the summit, he will be able to win the Japanese people's sympathy and understanding when the summit nations come to discuss issues concerning Russia. In this way, Watanabe called for President Yeltsin's to visit to Japan as early as possible. And after the meeting, the Foreign Ministry quoted Russian Foreign Minister Kozyrev as saying he would seriously study Japan's proposal.

However, a government source has recently disclosed that Foreign Minister Kozyrev said the invitation to President Yeltsin to the summit should not be linked with the issue of President Yeltsin's visit to Japan before the summit, and therefore the two invitations should be considered separately. The source has said that Foreign Minister Kozyrev thus made a clear-cut counterargument.

Observers say President Yeltsin may be hoping to be invited to the Tokyo Summit, but he may be reluctant to visit Japan prior to it because there is the possibility he will be forced to take new action on Japan's demand for the return of Russian-held islands off Hokkaido. They said that Mr. Yeltsin is also afraid this will lead to sharp repercussions from Russian conservatives and his political power base might be undermined.

One view holds that under such a situation, President Yeltsin's visit to Japan at an early date is most unlikely.

Possible Presummit Visit by Yeltsin Viewed

OW2501095593 Tokyo KYODO in English 0946 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Russia's domestic political situation is the key factor in determining whether Russian President Boris Yeltsin visits Japan in advance of the July Tokyo summit of the Group of Seven (G-7) nations, the top government spokesman said Monday. Chief Cabinet Secretary Yohei Kono said that Moscow's April national referendum on a new draft constitution will be an important hurdle for Yeltsin to overcome if he is to make an early visit to Japan.

Earlier this month a Russian Government source said that Yeltsin will not visit Japan before the April 11 referendum, suggesting that giving attention to the territorial dispute with Japan could disrupt Yeltsin's power base. Japan and Russia are at odds over four islands off of Hokkaido seized by the Soviet Army at the close of World War II.

Yeltsin was to visit Japan last September, but he abruptly called off the trip amid domestic criticism of Japan's demands for a resolution to the dispute.

Prime Minister Kiichi Miyazawa told parliament on Monday he has not yet consulted with other major economic powers regarding Yeltsin's invitation to meet with summit leaders during the July 7-9 meeting. Leaders of Britain, Canada, France, Germany, Italy and the United States are slated to attend the annual economic summit. In 1991 the G-7 leaders invited Soviet President Mikhail Gorbachev to the London summit, and in 1992 Yeltsin met his counterparts at the Munich summit.

Resumed Normalization Talks With DPRK Sought

OW2301072793 Tokyo KYODO in English 0702 GMT 23 Jan 93

[Text] Tokyo, Jan. 23 KYODO—Japan has begun preparing for unofficial negotiations to lay the basis for a resumption of stalled normalization talks with North Korea by late April, government sources said Saturday.

The eighth round of talks were held in November.

The government is studying two options for the preliminary negotiations. They could be held as before, at both countries' embassies in Beijing, or by dispatching a Foreign Ministry official directly to Pyongyang.

The sources said the government is targeting April because it wants the talks before the July summit meeting of leaders of the seven major industrialized nations (G-7) and because negotiations between North and South Korea will be suspended during the U.S.-South Korean joint military exercises between February and March.

They said the late April timing of the talks would also follow a busy period for the North Korean Government with the April 15 celebrations for North Korean leader Kim Il-song.

The eighth round of talks between Japan and North Korea ended without a decision on their resumption when North Korean negotiators walked out of the meeting.

They left after the Japanese side requested North Korea confirm the safety of a Japanese woman that Tokyo believes was abducted by North Korean authorities.

Foreign Ministry analysts say a New Year message from Kim contains little concrete promise of an immediate improvement in relations.

A ministry source said Japan knows it cannot avoid dealing with the repercussions of World War II in the negotiations but does not want to leave out the issue of the abducted woman, although it will not make the issue a precondition for normalization.

Several additional issues have also brought the talks to a stalemate.

Tokyo demands that Pyongyang act on concerns over its supposed nuclear weapons program. Pyongyang, in turn, demands that Japan pay compensation for its 1910-1945 colonial rule over the Korean peninsula and for what Pyongyang says are losses North Korea suffered in the following 45 years because of Japan's hostile policies.

'Comfort Women' Talks 'Likely' To Resume

OW2501073393 Tokyo KYODO in English 0709 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Japan's talks with South Korea over compensation for former wartime sex slaves will likely resume after President-elect Kim Yong-sam's February 25 inauguration, government sources indicated Monday. The "comfort women" refer mainly to Asian women forced to serve as prostitutes during World War II.

The government proposed compensation measures in talks last year, but negotiations broke down after South Korea claimed Japan did not recognize the facts of its forced conscription of the women. Historians claim that some 100,000 to 200,000 Asian women, mostly from the Korean peninsula, were forced to serve as prostitutes for Japanese soldiers in frontline brothels. Several South Korean women have demanded an apology and compensation from the Japanese Government.

Tokyo Extends Aid Package to Philippines

OW2501073793 Tokyo KYODO in English 0643 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Japan will extend over 3 billion yen in grant aid to the Philippines, the Foreign Ministry announced Monday. Officials said diplomatic notes relating to the aid package were exchanged between representatives of the two countries earlier in the day in Manila.

The largest portion of the package is a grant of up to 1.25 billion yen for rehabilitation of sewage and drainage systems in and around the Philippine capital. Another grant for up to 1.13 billion yen will go toward the purchase of garbage trucks and bulldozers for the Philippine Government's program of improving waste collection and disposal services in metropolitan areas. A grant for up to 702 million yen will also be provided for the construction of bridges in provincial areas.

Record Trade Surplus Recorded in 1992

OW2201082493 Tokyo KYODO in English 0815 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Japan's merchandise trade surplus soared to a record 107.06 billion dollars last year, jumping 37.6 percent from 1991 and marking the first year the figure surpassed 100 billion dollars, the Finance Ministry said Friday.

Analysts generally agreed that the ballooning surplus, measured on a customs-clearance basis, was largely spurred by the nation's harsh economic slowdown that has restrained the appetite for imported goods. The appreciation of the Japanese yen against the U.S. dollar also added fuel to the growing surplus, they said.

Imports in 1992 declined 1.7 percent to 232.70 billion dollars, while exports rose 8.0 percent to 339.76 billion dollars. As for the month of December alone, the trade surplus climbed 12.0 percent from the same period a year earlier to 11.23 billion dollars. It was the 24th consecutive month of year-on-year gains.

Masaru Takagi, chief economist of Fuji Research Institute, also noted the increased competitiveness of Japanese exported products have been contributing to an increase in the surplus figure.

"If Japan doesn't do anything, the surplus will continue to balloon this year," Takagi said, "and the government must seriously work on stimulating the domestic demand." He suggested the government should take "all available measures" to prop up the economy, such as reducing investment taxes, easing monetary policy, cutting income tax, and further reinforcing public works investments.

The overall value of exports rose for the 10th successive year, but the value of imports fell from the previous year for the first time since 1986. A Finance Ministry official said 7.6 percentage points out of the 8 percent rise in exports can be attributed to currency exchange rate factors and the remaining 0.4 point to the volume. The U.S. dollar averaged at 126.64 yen in 1992, down 6.3 percent from 1991.

The statistics showed that Japan's surplus in trade with the United States in terms of value gained 14.3 percent to 43.67 billion dollars, the fifth-largest figure on record. The highest figure was in 1987, when it stood at 52.1 billion dollars.

The surplus with the European Community advanced 14.0 percent for a record 31.18 billion dollars, while that with Asian newly industrializing economies (NIES) was also a record, jumping 17.6 percent to 46.49 billion dollars.

The ministry official, explaining why the surplus with the NIES was larger than that with the U.S., said the NIES increasingly serve as one of the world's leading production centers, and there is an especially noticeable increase in exports to them of semiprocessed goods.

Shipments of electronic goods and office equipment grew, but imports of luxury items from the EC declined, the official said.

Asked if the trade surplus will continue to grow, the official said, "It is difficult to say since it is hard to predict the currency exchange rates, but last year's official 10.7 trillion yen pump-priming package and the fiscal 1993 budget should contribute to boosting imports."

Private economists had different views.

Nobuyuki Saji, senior economist with the Nikko Research Center, said the trade surplus is likely to continue posting record gains on monthly basis for the time being. If the government hesitates to bring in an additional economic package, pressures from abroad will intensify, including from the newly inaugurated administration of U.S. President Bill Clinton, Saji said.

The December trade surplus was the second-largest ever for a single month after that of last September. Exports rose for 31 months in a row, while imports only slightly gained ground after marking two months of year-on-year declines.

Saji suggested the government should compile an 8 trillion yen pump-priming package, with 5 trillion yen allocated for further spending on public works, as well as implementing a 3-trillion yen income tax reduction to spur consumption. Such measures would help expand Japan's imports, he said.

Official: Recovery 'Best Cure' for Surplus

OW2201135493 Tokyo KYODO in English 0956 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Vice Finance Minister Mamoru Ozaki said Friday the best cure for Japan's mounting trade surplus is a recovery of the nation's economy, and ruled out the possibility that the trade imbalance will become chronic.

Ozaki, speaking at a regular press conference, said the export figures for 1992 were higher primarily because of currency exchange rates, and the drop of imports on a yearly basis mirrored the weakness of Japan's economy last year.

The ministry reported that Japan's trade surplus gained 37.6 percent in 1992 from 1991, hitting a record 107.06 billion dollars. Exports rose 8.0 percent, marking a 10th consecutive year of increase, while imports fell 1.7 percent.

"We will have to keep our eyes on the figures," Ozaki said. He added that he believes last year's pump-priming package and the next fiscal year's budget will make it possible for Japan to achieve sustainable growth focused on domestic demand.

He criticized mounting demands from business leaders, labor unions, and Kabun Muto, head of the Liberal Democratic Party's Tax Systems Research Council, for an income tax cut. He said their remarks "lack consideration for the country's future as well as for fiscal policy discipline."

Many financial observers think the government inevitably would have to float debt-financing bonds to make up for the expected revenue shortage should it decide to cut taxes.

Ozaki said the ministry's guidance that corporations refrain from selling stock holdings to improve their books before the settlement of midterm accounts in September is still in effect, indicating that it will discourage companies from selling stocks before the current fiscal year ends in March.

Ozaki went on to say he does not think the money supply will continue to contract, despite the December money supply data released by the Bank of Japan on Thursday.

The broadly defined money supply—cash, demand and time deposits plus certificates of deposit—dropped for the fourth consecutive month on a year-on-year basis in December. The size of the decline has remained around 0.5-0.6 percent during the past four months.

Ozaki also said there has been no decision on a possible meeting of finance ministers and central bankers of the Group of Seven (G-7) leading industrialized nations. As for a bilateral meeting of Japan and the United States before a future G-7 conference, he said, "I haven't heard anything in particular, but it seems it is not something that is unrealistic."

Executives Propose Asian Security Summit

OW2501085093 Tokyo KYODO in English 0812 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—A blue-ribbon Japanese business organization proposed Monday that Japan take the initiative in holding an Asia-Pacific summit to discuss regional security in the year 2000. The proposal made by the Japan Association of Corporate Executives (Keizai Doyukai) called on the Japanese Government to make positive diplomatic efforts not only in the economic field but in political and security areas.

Specifically, the association said Japan should take the initiative for the establishment of a comprehensive security framework for the Asian-Pacific region. The association also called for the strengthening of the Asia Pacific Economic Cooperation [APEC] forum which was formed by 15 member nations, including the United States, China and the Association of Southeast Asian Nations (ASEAN).

The association proposed that APEC inaugurate a forum to study a comprehensive regional security framework and promote political dialogue among member nations. APEC should also call a high-level conference to discuss security measures in concrete terms, the association said.

Ban on Collective Self-Defense Reconfirmed

OW2201054193 Tokyo KYODO in English 0514 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Chief Cabinet Secretary Yohei Kono said Friday the government does not plan to review its position that the Constitution bans Japan from exercising the right of collective self-defense.

Kono made the remark when asked for his view on Foreign Minister Michio Watanabe's suggestion that Japan should interpret its war- renouncing Constitution to allow participation in collective security operations.

The government has repeatedly testified before parliament the Constitution renounces the right of collective self-defense, defined by the United Nations Charter as "the inherent right of individual or collective self-defense if an armed attack occurs against a member of the United Nations."

Japan, however, has never clarified its position on collective security, which is generally defined as when several countries cooperate for purposes of self-defense and to maintain international peace in the face of aggression.

Kono told a news conference he believes Watanabe, who also serves as deputy prime minister, made the controversial remarks because "internationally there is a movement toward collective security."

In a speech Thursday, Watanabe called for a new interpretation of the Constitution to allow full participation in UN peacekeeping activities.

It was unclear which activities he was referring to.

At present, Japanese Self-Defense Forces are banned from participating in UN peacekeeping operations conducted in war zones.

Watanabe complained that some countries are opposed to Japan matching its economic clout with enhanced political influence.

In recent weeks, swelling numbers of ruling Liberal Democratic Party legislators have called for a review of Article 9 of the Constitution, which bans the use of force to settle international disputes.

Constitutional issues are expected to be debated during the 150- day parliamentary session which opened Friday.

17 Nations To Attend Arms Trade Conference

OW2201082893 Tokyo KYODO in English 0817 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Japan will host a regional conference next week in Tokyo on promoting transparency in arms transfers, the Foreign Ministry announced Friday.

The conference, scheduled for next Tuesday and Wednesday, will be attended by 17 countries in the Asia-Oceania region.

Foreign Ministry Spokesman Sadaaki Numata told foreign correspondents that the talks, co-chaired by Japan and the United Nations office for disarmament affairs, will be one of four such educational workshops held in different regions of the world.

Numata said the aim of the conference is to secure participation of countries in Asia-Oceania in the U.N. Register on Conventional Arms, established in January 1991 on the initiative of Japan and the European Community.

The first reports to the registry on 1992 arms exports and imports are scheduled to be made by U.N. member states by the end of April. But many Asian countries and non-aligned movement members still entertain reservations, according to Foreign Ministry officials.

China, North Korea, and Pakistan are among the Asian countries that abstained from voting when a draft resolution on the registry was first brought before the U.N. General Assembly two years ago.

China and Pakistan accepted invitations from Japan to participate in the Tokyo workshop but North Korea did not respond, and the list of participants is now closed, the officials said.

The other participating countries are Australia, Bangladesh, India, Indonesia, Malaysia, Mongolia, Myanmar [Burma], the Netherlands, New Zealand, the Philippines, Singapore, South Korea, Sri Lanka, and Thailand.

Numata said the Japanese initiative to hold a regional conference in Tokyo reflects Prime Minister Kiichi Miyazawa's statement during a visit to four Southeast Asian nations earlier this month that Japan intends to contribute to the promotion of political and security dialogue in the Asia-Pacific region.

He said the workshop will comprise four sessions, which will address the nature and aims of the registry, its operational procedures, future issues relating to the register, and the issue of transparency of arms transfers in the Asia-Oceania region.

Paris Wants Tokyo To Take Spent Nuclear Fuel

OW2501105893 Tokyo KYODO in English 1032 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—The French nuclear fuel corporation which extracts plutonium from spent Japanese fuel has told the Science and Technology Agency it wants Japan to accept its high-level radioactive waste by 1994, agency sources said Monday. The sources said the head of France's Compagnie Generale des Matieres Nucleaires (Cogema), Jean Syrot, put the request to the director general of the agency, Mamoru Nakajima, during an inspection tour of a Cogema reprocessing facility at La Hague in northwest France on January 18. Nakajima is also the chairman of the Atomic Energy Commission.

Japan is building a storage facility for high-level waste at Rokkasho in northern Honshu but it is not due for completion until February 1995. Japanese electricity companies have contracted with Cogema and British companies for the reprocessing of some 7,100 tons of spent nuclear fuel. Cogema has already extracted plutonium from just over 500 tons of this amount and is storing the remaining very high-level radioactive waste in vitrified form.

Under the contracts between the Japanese electricity suppliers and the French and British reprocessors, the high-level waste should also be brought back to Japan. Japan Nuclear Fuel Ltd. is pressing ahead with the construction of the Rokkasho storage facility which will be able to handle the vitrified waste. An agency official said Cogema would not be able to export the waste to Japan while the facility is incomplete.

"The power companies will negotiate for it to be sent after the facility is completed," he said.

Tokyo To Host Conference on Central America

OW2201124693 Tokyo KYODO in English 1224 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Japan will host a 30-nation meeting in Tokyo on March 15 and 16 to help Central America promote economic development and democratic reform, Foreign Ministry sources said Friday. In addition to the foreign ministers of seven Central American nations, representatives of all major industrial nations—the main donors of official development assistance—will attend the conference, they said.

The meeting is one of a series of gatherings under the motto "Partnership for democracy and development in Central America," initiated by former U.S. Secretary of State James Baker in April 1991 and since held several times at both the plenary and working level. By hosting the plenary meeting for the first time, Tokyo wants to underline its active interest in political and economic stabilization in Central America, the sources said.

The conference will discuss political reforms, social and economic rehabilitation of victims of the various devastating civil wars in the region, as well as the removal of land mines. In the economic field, participants will focus on how to create a legal framework that can attract foreign investment, the collection of economic data and publication of reports, and the opening of domestic markets, they said.

The Japan International Cooperation Agency (JICA), the Foreign Ministry's foreign assistance arm, also plans to organize a seminar on trade and investment in Central America in late February.

Yamahana Team Takes Over SDPJ Leadership

OW1901082393 Tokyo KYODO in English 0809 GMT 19 Jan 93

[Text] Tokyo, Jan. 19 KYODO—Japan's largest opposition Social Democratic Party [of Japan] (SDPJ) formally endorsed Sadao Yamahana as new chairman and Hirotaka Akamatsu as new secretary general on Tuesday, marking the party's stepped up reform and a generational change in its leadership.

Yamahana, 56, former secretary general, and Akamatsu, 44, former chief of the party's labor bureau, were confirmed unopposed in the top posts at a special convention held at the party's headquarters in central Tokyo.

Yamahana, a senior member of a center-left group of the party, took over from Makoto Tanabe, who suddenly announced his resignation as party chairman on December 24 and expressed the need for generational change in leadership ahead of general elections expected this year.

Akamatsu, a member of a conservative group of the party, is in his first term as a Diet member, having won his seat in the February 1990 lower house election.

It is unusual for a politician with such a short career in the legislature to be chosen for such a post, political analysts said. The said the SDPJ is trying to rejuvenate its image among voters.

The new leadership has a heavy workload in the ordinary Diet session starting Friday, the Tokyo Metropolitan Assembly election expected in June, and in a general election expected later this year, the analysts said.

Tax Raid on Sagawa Kyubin Linked to Scandal

OW2501083093 Tokyo KYODO in English 0810 GMT 25 Jan 93

[Excerpts] Kyoto, Jan. 25 KYODO—Tax investigators on Monday raided the Kyoto headquarters of the Sagawa Kyubin group of parcel-delivery companies, which is at the center of a money-and-mob scandal that led to the downfall of powerful Liberal Democratic Party politician Shin Kanemaru. A few hours later, another group of tax investigators raided Sagawa's Tokyo branch office, which was known as Tokyo Sagawa Kyubin Co. before being absorbed into the group last May.

Officials of the national tax administration agency said the purpose of the investigations is to examine the group's corporate tax returns as part of a "regular checkup." Sources close to the investigation, however, said it is aimed at uncovering the flow of illicit political contributions from the Sagawa Kyubin Group to politicians. [passage omitted]

The sources said the investigators also want to find evidence to determine whether huge amounts of money allegedly distributed to politicians by Kiyoshi Sagawa, former president of the group, were personal funds or corporate funds whose disbursements should be lawfully controlled and reported, they said.

The Sagawa Kyubin Group reportedly funneled billions of yen to politicians in a bid to bypass regulations related to traffic and labor laws affecting its trucking operations. In February 1991, the agency ordered Sagawa Kyubin to pay 1.8 billion yen in back taxes and penalties for failing to report a total of 3.5 billion yen in corporate income during the preceding five years.

Kiyoshi Sagawa, 70, known as "a sponsor of the political community," has declined on grounds of poor health to comply with a parliamentary summons to testify before the Diet on the flow of funds from the group to politicians.

The tax agency initiated the crackdown on the group after a judicial watchdog body rapped the prosecution's decision not to indict Kanemaru, who acknowledged receiving 500 million yen from Watanabe, and more than 60 politicians who allegedly shared the funds.

The No. 1 Tokyo committee for the inquest of the prosecution said on January 13 the prosecution should have filed charges against Kanemaru and the politicians on the basis of a law barring a politician from receiving an annual donation of more than 1.5 million yen from any single individual or group.

Corporate Tax Returns Investigated

OW2501055093 Tokyo KYODO in English 0513 GMT 25 Jan 93

[Text] Kyoto, Jan. 25 KYODO—Tax investigators on Monday raided the headquarters of the Sagawa Kyubin Group of parcel-delivery companies which has been at the center of a money-and-mob scandal rocking the ruling Liberal Democratic Party (LDP).

Officials of the National Tax Administration Agency said the purpose of the investigation is to check for any discrepancies in the corporate tax returns filed by the group and is part of its "regular checkup" of the group's tax returns.

Sources close to the investigation, however, said it is aimed at uncovering the flow of illicit political contributions from the Sagawa Kyubin Group to politicians.

In February 1991, the agency ordered Sagawa Kyubin to pay some 1.8 billion yen in back taxes and penalties for failing to report a total of 3.5 billion yen in corporate income during the preceding five years.

Hiroyasu Watanabe, 58, former president of the Tokyo Sagawa Kyubin Co., is on trial on charges of aggravated breach of trust against the company, which was absorbed into the Sagawa Kyubin Group after the scandal came to light.

Watanabe allegedly used Tokyo Sagawa Kyubin's money to provide a total of 520 billion yen in loans and loan guarantees to various companies, including some linked to the nation's second-largest crime syndicate, the Inagawa-kai.

The Sagawa Kyubin Group reportedly funneled billions of yen to politicians in a bid to bypass traffic and labor law-related regulations on its trucking operations.

Kiyoshi Sagawa, the group's chairman, has declined on grounds of poor health to comply with a parliamentary summons to testify before the Diet on the alleged flow of unlawful funds from the group to politicians.

Keidanren Leader Predicts Economic Recovery

OW2001102793 Tokyo KYODO in English 1007 GMT 20 Jan 93

[Text] Kochi, Jan. 20 KYODO—Gaishi Hiraiwa, head of the powerful Federation of Economic Organizations (Keidanren), said Wednesday the domestic economy is expected to start recovering in the latter half of this year.

Hiraiwa at the same time called on corporate executives to do all they can to help boost the domestic economy in view of the fact that consumer spending and capital spending remain sluggish.

He expressed hope that the government will steadily implement its economy-stimulating measures and make the utmost effort to quickly pass the fiscal 1993 budget through the Diet.

Central Bank: Demand Likely To Remain Slow

OW2201132093 Tokyo KYODO in English 1105 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Japan's private economic demand will remain sluggish at least through the first half of this year, the Bank of Japan (BOJ) predicted Friday.

In a quarterly report on the state of the Japanese economy, the central bank said its prediction was based on the fact that consumer spending remains inactive, despite a continued reduction in business inventories.

The report is published to assist the government in formulating economic policies.

The BOJ also said the Japanese employment situation is unlikely to undergo a sharp deterioration in the foreseeable future but needs close monitoring.

Regarding Japan's broadly defined money supply, which marked its fourth straight month of decline in December, a BOJ official in charge of research and statistics predicted that the year-on-year change will recover to about zero sometime from January to March.

The M2—cash in circulation, time and demand deposits—plus certificates of deposit (CDs) dropped 0.5 percent year-on-year in December.

The BOJ also said it is standing by its earlier forecast that the inventory reduction process will be completed in the first quarter of this year, although there has been some delay in the process.

It said the Japanese economy is getting ready for recovery, with full effects of the government's pump-priming measures likely to be felt in the second quarter of this year.

Tokyo To Rescind Limits on 'Some' Bonds

OW2201084393 Tokyo KYODO in English 0730 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—The Justice Ministry plans to scrap a limit on the maximum amount for some types of corporate bond issues so companies can raise funds to repay swollen debts incurred during the "bubble" economic boom, officials said Friday.

The ministry will propose removing rules which limit corporate bonds backed by collateral, warrant bonds, and convertible bonds to up to twice the value of the issuer's net assets. At the same time, the ministry plans to oblige issuers to name trustees when floating bonds, usually banks, in order to protect investors from greater risks from the deregulation.

After the Legislative Council, the advisory body to the justice minister, reviews the proposed changes, which require a revision of the Commercial Law and legislation on corporate bond issues, a bill will be sent to the Diet in February for action this year.

The officials said the change is designed to help companies raise funds to repay the warrant bonds and other types of debt they incurred during the speculative days of the late 1980s.

An estimated 9.2 trillion yen worth of warrant bonds and convertible bonds will mature in fiscal 1993, which starts in April, and 5.5 trillion yen are due next year. Most of them, which were issued during the bubble era because they were relatively cheap to issue—about half the cost of other bonds—lost much of their value after the Tokyo stock market began to fall in 1990.

The limits on bond issues, which are not found in other industrial countries, now are unnecessary as more companies are disclosing enough information to protect investors from risks, ministry officials think. Still, unrestricted bonds put bond holders at greater risk, prompting the ministry to work out other protections, including a requirement that trustees be named to supervise bond issues.

Bonds for private placement and bonds with a face value of 100 million yen or more, however, are exempt from the rule, because they usually are bought by institutional investors which can manage risks themselves.

Keidanren Chief Reiterates Call for Tax Cut

OW2101105693 Tokyo KYODO in English 1039 GMT 21 Jan 93

[Text] Osaka, Jan. 21 KYODO—The head of the Federation of Economic Organizations (Keidanren) on Thursday renewed his call for an income tax reduction to stimulate the faltering economy.

Gaishi Hiraiwa, who is also chairman of Tokyo Electric Power Co., said at a press conference the government should implement a tax cut as the economy is likely to face further setbacks.

If there is no other appropriate fund for cutting income taxes, Hiraiwa said, the fund should be compensated by the issuance of deficit-covering bonds.

The business leader said, however, such bonds should be issued only after studying every means of funding a tax cut.

He said the national economy is at a severe stage reflecting drops in both consumer spending and corporate investment.

In order to combat the worsening economy, a better mix of tax, fiscal, and other government economic measures is highly needed, hiraiwa said.

He stressed the government should work on other economic measures following the package of pump-priming measures announced in August 1992.

LDP May Propose Extra 'Pump-Priming' Measures

OW2101110193 Tokyo KYODO in English 1043 GMT 21 Jan 93

[Text] Tokyo, Jan. 21 KYODO—A special group created in the ruling Liberal Democratic Party (LDP) to promote a national economic recovery agreed Thursday to propose additional pump-priming measures to the government in March, if necessary. LDP officials said the group will make the proposal if it decides the measures are necessary, assuming that the fiscal 1993 national budget will be approved by the Diet by March 31.

Shizuka Kamei, deputy leader of the group, which met for the first time Thursday, told reporters that it will ask for a change in Japan's monetary policy—a reference to an official discount rate cut—if the current economic slump worsens in February and March. Analysts said it is highly unusual for the LDP to set up a group to promote economic recovery before Diet passage of a budget bill.

Finance Ministry Officials on Taxes, U.S. Ties

OW2101102293 Tokyo KYODO in English 1007 GMT 21 Jan 93

[Text] Tokyo, Jan. 21 KYODO—A top Finance Ministry official Thursday [21 January] rejected a senior Liberal Democratic Party (LDP) official's call for an income tax cut to prop up the economy.

Kabun Muto, head of the LDP's Tax System Research Council, earlier Thursday called for cutting income tax revenue by 5 trillion yen to 6 trillion yen. He said it was his personal view.

The official, speaking on condition of anonymity, brushed aside Muto's comment, saying it is strange that Muto made the remark after the council stopped short of suggesting tax cuts.

With respect to the new administration of President Bill Clinton in the United States, the official said he does not expect "Japan bashing" will escalate. Washington "may ask Japan to step up its imports, but I don't think there will be an increased pressure against Japan on bilateral economic relations," he said.

The official said he does not think Japan has any urgent need to seek a meeting of the finance ministers and central bank governors of the Group of Seven (G-7) leading industrialized nations. He said, however, if there were a meeting where participants can carry on "frank discussions rather than ending up being a political show," it might be worth having. He did not elaborate on when such meeting should, or could take place, however.

Another senior Finance Ministry official suggested Thursday there should be a meeting of top financial officials of G-7 nations or some bilateral economic meetings, for instance between Japan and the U.S., as soon as possible. But he also said the meeting should concentrate more on profound debate rather than striving to organize a communique.

That official, also asking not to be identified, hoped that the new Clinton administration would succeed in cutting the U.S. budget deficit. Apparently the U.S. economy is recovering but the success of the recovery is up to adequate government policies and the public's cooperation, he said.

"I believe cutting the fiscal deficit will lead to stabilizing the dollar exchange rate in that it would contribute to reinforcing the fundamentals of the U.S. economy," he said.

Trade Union, Opposition Demand Tax Cut

OW2101143493 Tokyo KYODO in English 1149 GMT 21 Jan 93

[Text] Tokyo, Jan. 21 KYODO—Japan's largest trade union and noncommunist opposition parties agreed Thursday to call for a cut in income tax by 4 to 5 trillion yen, union officials said Thursday.

The Japanese Trade Union Confederation (Rengo) and the three parties—the Social Democratic Party (SDP), Democratic Socialist Party (DSP) and Komeito—also agreed to consider short-term deficit-covering bonds to fund a tax cut, the Rengo sources said.

Seigo Yamada, secretary general of the 8 million-strong Rengo, reached the agreement in separate meetings with SDP Secretary General Hirotaka Akamatsu, DSP General Secretary Takashi Yonezawa, and Nobuaki Futami, head of Komeito's policy board, the officials said.

In the meetings, they agreed to increase their demands for a cut in income tax by 4 to 5 trillion yen from their earlier demand for 2 trillion yen to help recover from the serious economic slump, they said.

Yamada proposed that the tax cut be funded by short-term deficit-covering bonds, and the three opposition party officials agreed to consider the proposal, they said.

LDP Secretary General Proposes Tax Rebate

OW2201203893 Tokyo KYODO in English 1529 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Liberal Democratic Party (LDP) Secretary General Seiroku Kajiyama proposed Friday that the government give an income tax rebate to taxpayers to stimulate consumer spending and buoy the floundering economy.

Kajiyama however stopped short of mentioning the size of the rebate.

"I propose that (the LDP and opposition parties) study when to give an income tax rebate, as well as the technical aspects of a rebate," he said.

Kajiyama put forth the proposal during a TV talk show videotaped by Japan Broadcasting Corp. Secretaries general of four opposition parties also attended the session.

Kajiyama spurned opposition demands that the government amend the fiscal 1993 budget and incorporate income tax cuts amounting to 2 to 5 trillion yen.

He urged opposition parties not to try to block speedy parliamentary passage of the 72,354.8 billion yen budget for the year that starts on April 1, saying it is crucial to secure passage by the end of the current fiscal year that ends March 31.

Opposition parties have threatened to hold up Diet debate on the budget to force the LDP to comply with their demand that key figures suspected of knowing about alleged flows to LDP politicians of illicit political contributions from the scandal-ridden Tokyo Sagawa Kyubin Co. testify before the Diet.

Kajiyama registered concern whether the budget would be able to provide a fiscal stimulus sufficiently powerful to lift the country's dwindling economy out of the current doldrums.

"Everyone is concerned that whether this (the budget) is sufficient," he said.

Finance Minister Dismisses Possible Tax Cut

OW2101105793 Tokyo KYODO in English 1017 GMT 21 Jan 93

[Text] Tokyo, Jan. 21 KYODO—Finance Minister Yoshiro Hayashi brushed aside mounting calls for an income tax cut Thursday, questioning the appeal of a cut.

Hayashi, in a recorded television program, said even if the tax is lowered, the effect will be restrained if people decide to save money instead of spending it. Besides, he said, if the tax is cut and the government is forced to issue debt-financing bonds to make up for a possible revenue shortage, that will mean leaving the check for the next generation to pay.

Eating something delicious with borrowed money may make a person happy, but that is not good for the future, Hayashi said. He said it is better not to cut taxes but to boost public works investment by floating construction bonds to stimulate the economy.

Calls for an income tax reduction have been intensifying recently among business leaders as well as some ruling Liberal Democratic Party officials.

Hayashi Again Rejects Tax Cut

OW2201021793 Tokyo KYODO in English 0154 GMT 22 Jan 93

[Text] Tokyo, Jan. 22 KYODO—Finance Minister Yoshiro Hayashi reiterated Friday that there is no need for an immediate cut in income tax to stimulate the economy.

Hayashi told a regular news conference after a morning cabinet meeting that past measures including last August's 10.7 trillion yen pump-priming package and the fiscal 1993 draft budget will be enough to achieve sustainable growth.

He called for early passage of the budget by the Diet, which opens its 126th ordinary session Friday.

"There is no need to cut income tax," Hayashi said, rejecting mounting calls for a cut that have come from Kabun Muto, the head of the ruling Liberal Democratic Party's Tax System Research Council, business leaders and some labor unions.

Muto recently suggested an income tax reduction of between 5 trillion yen and 6 trillion yen.

Referring to Tokyo share prices, Hayashi said he will continue to monitor the market carefully.

EPA Head Doubts Income Tax Cut To Help

OW2301090193 Tokyo KYODO in English 0809 GMT 23 Jan 93

[Text] Utsunomiya, Jan. 23 KYODO—Hajime Funada, director general of the Economic Planning Agency (EPA), Saturday poured cold water on suggestions an income tax cut would boost the Japanese economy.

At a lecture at a hotel in Utsunomiya, north of Tokyo, he said, "I doubt how much an income tax cut would spur consumption, when compared with past tax cuts made at a time of economic recovery.

"Buying interest does not seem to be bullish now as people purchased luxury durable goods during the period of the so-called bubble economy," he said.

He made the remarks in reference to growing calls for an income tax cut from both ruling and opposition party members.

Mitsuzuka Views Need To Approve Draft Budget

OW2401124993 Tokyo NHK General Television Network in Japanese 1000 GMT 24 Jan 93

[From the "NHK News" program]

[Text] Hiroshi Mitsuzuka, chairman of the Liberal Democratic Party's Policy Research Council, today said that all-out efforts should be made during the current Diet session to approve the fiscal 1993 draft budget before the end of this fiscal year. He made this comment while speaking at the Mitsuzuka faction's New Year's meeting at Motomiya-machi in Fukushima Prefecture.

Mitsuzuka said that all parties must do their utmost to seek the draft budget's ratification before the end of the current fiscal year to ensure its implementation on 1 April and, in turn, stimulate the economy. In this way, he stressed the view that all-out efforts should be made to approve the budget draft before the end of the current fiscal year.

Mitsuzuka also said that the issue of shedding light on the Tokyo Sagawa Kyubin scandal is an important matter in terms of revitalizing politics. He added that thorough discussions in connection with the probe should be made at a special committee of the Diet or within the Political Ethics Council. He explained his view that the opposition camp's demand to call witnesses involved in the scandal to appear before the Diet should be treated separately from deliberations on the draft budget.

Nikkeiren Chief Urges Large-Scale Tax Cut

OW2501085193 Tokyo KYODO in English 0817 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Takeshi Nagano, president of the Federation of Employers Associations (Nikkeiren), called Monday for an income tax cut worth 5 trillion yen to help boost the flagging domestic economy. Nagano, in a lecture at a Tokyo hotel, said that such a large-scale tax cut is necessary in view of stagnant personal consumption.

The proposed tax cut will amount to about 100,000 yen per wage earner household, and at least half of the money will be set aside for spending while the remaining half will go to savings, he said. Nagano earlier demanded a moderate income tax reduction worth about 2 trillion yen.

"The present slump in personal consumption is severer than expected and a full-scale income tax cut is necessary," he said.

Observers said Nagano's remark is aimed at allaying pressure from trade unions seeking a substantial pay hike in the spring labor ofeensive. Nagano urged the government to raise funds necessary for a tax cut by issuing debt-financing national bonds.

Banks To Trim Long-Term Prime Rate

OW2501094493 Tokyo KYODO in English 0932 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Japan's three long-term credit banks have decided to cut their long-term prime lending rate by 0.3 percentage point to 5.2 percent per annum on February 1, banking industry sources said Monday. The three banks are the Long-Term Credit Bank of Japan, the Industrial Bank of Japan (IBJ) and Nippon Credit Bank.

The reduction in the rate on loans of one year or more to the most credit worthy clients will be announced in a couple of days, the sources said. The rate of 5.2 percent is the second lowest. The record low is 4.9 percent in 1987.

The sources said the cut, the first in three months, will result in a 0.5 percentage point reduction to 5.2 percent in housing loans with variable interest rates and a 0.3 percentage point cut to 6.3 percent in the fixed-rate housing loan, starting March 1.

The long-term prime rate is usually set 0.9 percentage point higher than the coupon of interest-bearing five-year bank debentures, which stands at an annual 4.6 percent. The coupon of primary-market bank debentures is revised when the gap between the coupon and yields on the secondary-market debentures widens more than 0.2 point. The gap between the coupon and the yield on IBJ debentures stands at 0.35 point.

Problems Foreseen With Debt-Purchasing Firm

OW2501094793 Tokyo KYODO in English 0913 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—The controversial debt-purchasing corporation aimed at liquidating real estate-collateralized bad loans carried by financial institutions will be established on Wednesday [27 January]. Final approval by shareholders is expected on Monday.

The move will substantially mark the beginning of an attempt to liquidate nonperforming debts largely created by deflation of assets following the burst of the speculative "economic bubble." A total of 162 institutions including commercial banks, life and nonlife insurance companies, as well as other credit companies, will take part in the vehicle to be capitalized at 7.9 billion yen.

The corporation will acquire debts from financial institutions using loans extended by the institutions, while selling collateralized properties to third party ties to collect cash to pay back loans to the institutions.

According to a Finance Ministry survey, at the end of December, there were 12.3 trillion yen worth in arrears with interest payments lagging for more than six months at the nation's 21 commercial banks—11 major commercial banks, known as city banks, three long-term credit banks and seven trust banks. Of those loans, some 4 trillion yen worth were considered to be at risk of being nonrecoverable loans. Nonetheless, economists seem to have mixed feelings about the charm of the vehicle.

"Whatever the controversies are, it will be the first attempt of its kind," said Masaru Takagi, chief economist with Fuji Research Institute. "I'm afraid pessimistic views are a little too rampant regarding the vehicle." He said, however, that while "there may be some problems at the inception, once the vehicle's operation gets on track, surely it will help relieve bad loans."

Takagi said the point of issue is whether the scheme will be able to contribute to reactivating the real estate market. "It is true that you would need buyers (of the properties) for transactions to exist, but I don't think one needs to be too pessimistic about that," he said. He predicted the vehicle will be able to take care of 2-3 trillion yen worth of bad loans in the first year.

Nobuyuki Saji, senior economist with Nikko Research Center, however, questioned whether there would be enough demand for real estate even if the company takes over the debt. In theory, land prices could further decline by 25 percent, when observing the past ratio of prices to the nation's nominal gross national product, Saji said. Under such a scenario it would not be easy to find people willing to buy properties now, he said. He predicted, therefore, that writing off bad loans would probably take about seven years, which could lengthen reluctance by banks to extend loans. That would especially affect small and midsize firms and would consequently serve negatively to the overall economy as well, he said.

Masahide Mimura, senior analyst with Barclays de Zoete Weld Securities (Japan) Ltd., questioned the effectiveness of the corporation from the size of the vehicle. Mimura said the scale of the vehicle is much too small to tackle the amount of risky loans. He believes such loans total some 30 trillion yen, far more than the Finance Ministry's estimate.

He said for the company to operate effectively it must be capable of acquiring debts worth some 6 trillion yen per year. To do this, Mimura suggested utilizing public funds to beef up the capacity, which was once debated but was scrapped in the face of strong public opposition.

Economists pointed out that another problem with the system is it could benefit strong financial institutions that can absorb the losses. But as Barclays' Mimura warned, institutions such as second-tier regional banks will not have sufficient stamina to digest the losses.

Fuji Research's Takagi cautioned that if weaker institutions forcibly try to liquidate their bad loans within the current fiscal year, it could have a hazardous effect on their financial statements.

Shinichiro Goto, head of the debt purchasing corporation, said in an interview with KYODO News Service the vehicle is expected to acquire several hundred billion yen worth of debts by the end of March.

"The company will be busy acquiring properties (and not selling them) until the end of March.... There may be some criticism that the vehicle may not help revitalize the real estate market, but at least, it's better than not having any such organ at all," he said.

Goto, a former Mitsubishi Bank executive, hoped future recovery of Japan's economy will spur some property buying incentives, while such debt transactions will lead to nurturing a market of the kind in Japan. He said the company does not plan to rely on tax money. "Financial institutions are willing to tackle the bad asset issue by themselves," he said.

The company will begin operations on February 1.

Mieno Says Economy Still in Severe Slump

OW2501033493 Tokyo KYODO in English 0254 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Monday the nation's economy is still in a severe slump and public works is needed to support it.

Referring to the central bank's monetary policy, Mieno, opening a two-day meeting of BOJ branch managers, said he "will continue to monitor the environment without any preconceptions," but taking into consideration the macroeconomic effects of restructuring being undertaken by corporations and financial institutions.

Expectations have been mounting in financial markets of a cut in the official discount rate, currently standing at 3.25 percent, boosting government bond prices.

Mieno also referred to austere conditions facing financial institutions due to their bad loans as well as slumbering stock prices, and stressed, "it is necessary to make the utmost efforts to construct a stable and efficient financial system."

Economists have been calling for a cut in the key lending rate not only to stimulate private sector spending but also to relieve the burden of interest on corporations in the present financially difficult conditions.

Mieno is scheduled to hold a news conference on Wednesday following the branch managers' meeting, which ends Tuesday.

Motor Vehicle Production Declines in 1992

OW2501063393 Tokyo KYODO in English 0541 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Japan's production of cars, buses and trucks in 1992 dropped 5.6 percent from the previous year to 12,499,284 vehicles for the second consecutive year-on-year fall, an industry association reported Monday.

The Japan Automobile Manufacturers Association blamed sluggish sales in both domestic and overseas markets for the decline.

Output for the domestic market in the year dropped by 7.5 percent to 6,959,073 vehicles, while exports decreased 1.3 percent to an estimated 5,680,000 vehicles.

By category, production of passenger cars for both the domestic and overseas markets dropped 3.8 percent to 9,378,694 for the second consecutive year-on-year fall.

Output of trucks slipped for the fourth straight year, falling 11.0 percent to 3,068,585, but production of buses jumped 17.0 percent to 52,005.

The association noted that domestic demand for passenger cars was sluggish due mainly to slow consumer spending amid the national economic slump.

In December, Japan's production of cars, trucks, and buses fell 9.7 percent from a year earlier to 1,070,633 vehicles for the third consecutive month of decline, the association said.

Production of passenger cars in December fell 8.5 percent from a year earlier to 730,097 vehicles for the third straight month of decline.

Output of trucks in the month dropped 13.6 percent to 232,469 vehicles for the 17th consecutive month of year-on-year decline, while production of buses decreased 2.2 percent to 3,909.

Production of vehicles for the domestic market in December declined 8.0 percent from a year earlier to 510,077 vehicles for the 20th straight month of year-on-year decline.

Output of vehicles for exports dropped by an estimated 11 percent in December from a year earlier.

1992 Department Store Sales Suffer Decline

OW2501090093 Tokyo KYODO in English 0826 GMT 25 Jan 93

[Text] Tokyo, Jan. 25 KYODO—Sales at department stores across Japan in 1992 suffered the first year-on-year fall in 27 years, the Japan Department Stores Association reported Monday. The association said sales at 271 outlets of 116 member firms totaled 9,519.6 billion yen, down 3.3 percent from the year before. It was the first yearly fall since 1965 when the association revised its calculation method.

Association officials said the sales decline was recorded not only in six major cities, including Tokyo and Osaka, but also in local municipalities, showing that sluggish personal consumption has reached serious proportions. In the six major cities, sales declined 4.6 percent from the previous year, the officials said. Yearly rises were recorded only in Tohoku, Shikoku and Kyushu regions, they said.

By product, sales of clothes both for men and women decreased 3.0 percent, posting the first year-on-year drop, while those of sundry goods, including home appliances, slumped 8.5 percent, they said. In December, the association said sales plunged 8.1 percent from a year earlier, posting the first year-on-year decline on record.

[In a related 80-word report carried at 0747 GMT on 25 January, Tokyo KYODO in English reports that 1992 supermarket sales edged up 0.5 percent from 1991's figures to 15.332 trillion yen, marking the slowest year-to-year growth on record. Citing figures from the Japan Chain Stores Association, KYODO says sales were slow throughout 1992 for food, clothing, household appliances and furniture. The report adds: "The association said sales are expected to remain slow for consumer durables even if the national economy recovers since many items already are owned by households. In December, supermarket sales fell 1.2 percent from a year earlier to 1,740.8 billion yen to post the fourth consecutive year-on-year decrease, the association said."]

Sony Denies Rumors of Top-Level Reshuffle

OW2001124993 Tokyo KYODO in English 1217 GMT 20 Jan 93

[Text] Tokyo, Jan. 20 KYODO—Sony Corp. will keep Norio Ohga as its president even after the annual shareholders' meeting in June, Sony chairman Akio Morita said Wednesday, denying widespread expectations that the president would resign.

"There will be no personnel reshuffle replacing the top," Morita told reporters.

Ohga was widely thought to be set to resign because he has held the post since September 1982, and also because of Sony's poor performance during a prolonged slump in the market for audiovisual equipment.

"It's yet not the time to change," said Morita, expressing his intention to pave the way for a business recovery under Ohga's management.

Morita reiterated the company's plan to streamline mainly by relocating employees, which he said is "an innovation of management."

"The key proposition for this year is to seek what business is from the basics instead of just cutting back workforce." [sentence as received] Speaking at the same press conference, Ohga revealed his strategy of raising the company's techonological potential to weather the gloomy business climate.

"Operating losses (incurred from April to September last year) stemmed from increased research and development costs and a heavier depreciation burden," he said.

"Reducing these (expenses) just because the economy is bad will lead the company to lose its vitality."

Earthquake Costs Railroad Over 1 Billion Yen

OW2501063493 Tokyo KYODO in English 0553 GMT 25 Jan 93

[Text] Sapporo, Jan. 25 KYODO—Hokkaido Japanese Railways (JR) Co. said Monday the strong earthquake that rocked the northern half of Japan on January 15 will cost the company more than 1 billion yen in damages.

Hokkaido JR President Yoshihiro Omori told a news conference that his company would ask the government to provide subsidies to help repair the railway.

Omori said the temblor cost the company an additional 400 million yen through loss of revenues from the disruption of regular train service and in providing passengers with alternative bus service.

The physical damages from the quake that registered 7.5 on the open-ended richter scale include the dislocation of the support pillars for bridges and the warping of railway tracks, Omori said.

Meanwhile, the ruling Liberal Democratic Party's special committee on disasters decided to send a mission of four House of Representatives LDP legislators Tuesday to several Hokkaido regions hardest hit by the tremor, LDP officials said.

The committee also decided to urge the government to provide low-interest loans to shopowners whose shops suffered damage from the quake, while providing financial assistance designed to rehabilitate public facilities closely connected with the livelihood of local residents, they said.

North Korea

JNCC Talks, Inspections 'Frozen' by Team Spirit

SK2501110593 Pyongyang KCNA in English 1056 GMT 25 Jan 93

[Text] Panmunjom, January 25 (KCNA)—The chairmen of both sides of the North-South Joint Nuclear Control Committee [JNCC] held a contact at Panmunjom today.

At the contact, the South side avoided discussing the main problem, the resumption of the "Team Spirit" joint military maneuvers, and declared it could not but resume the military maneuvers.

The North side, citing facts, reminded the South side that the Joint Nuclear Control Committee was frozen and the North-South inspection delayed mainly because the U.S.-South Korea decision to resume the "Team Spirit" was announced.

It is unreasonable for the new "government" of South Korea to resume the "Team Spirit" which was suspended by the military dictatorial "government," said the North side, adding that the South side must cancel the decision to resume the military maneuvers, the biggest "disease,"if it was to fulfill its election commitment to cure the "illness of South Korea."

In order to realise a faithful implementation of the joint declaration on denuclearization and North-South nuclear inspection at an early date, the North side proposed to hold the 14th meeting of the North-South Joint Nuclear Control Committee on February 29 and a contact of members on February 27. But, the South side opposed the convocation of the committee meeting and avoided fixing the date of the meeting.

As a result, the sides failed to set the date of the committee meeting at the contact and agreed to discuss the modality and date of next meeting through the hot-line.

JNCC Chairmen Meet 25 Jan

SK2501130993 Pyongyang Korean Central Broadcasting Network in Korean 1210 GMT 25 Jan 93

[Text] The contact of the chairmen of the two sides of the North-South Joint Nuclear Control Committee [JNCC] was held in Panmunjom today.

In the contact in which the two sides' chairmen sat face to face for the first time this new year, the two sides should have discussed in the first place such a fundamental issue as the withdrawal of the decision to resume the Team Spirit joint military exercise, the nuclear war rehearsal which is an obstacle to the progress of the meeting, besides such a working matter as the schedule for the meeting. However, the South side avoided discussing this fundamental issue from the outset and made clumsy excuses in an attempt to escape from the responsibility for the delay in the discussion of the inspection rules. The South side then openly declared that it has to resume the aggressive Team Spirit joint military exercise this year.

In this connection, we explained with concrete facts that the fundamental reason for the freezing [tonggyol] of the JNCC and the delay in the North-South inspection was the declaration of the agreement on the resumption of the Team Spirit joint military exercise. Our side then strongly called the South side to account, questioning whether the South side came to the meeting to declare the resumption of the Team Spirit joint military exercise and questioning to where the South side is leading the North-South relations while openly violating the agreements promised to the entire nation.

Our side denounced the South side for raving about the North's suspected nuclear development which does not exist and obstructing the implementation of the joint denuclearization declaration. Our side then denounced the South side for attempting to conduct the large-scale nuclear war rehearsal with foreign forces and said that this is an intolerable antinational flunkeyist traitorous act of attempting to impose nuclear calamity on the entire nation without caring for the country and the nation and to devastate the land of the fatherland.

By so doing, our side called the South side to account, questioning whether it can be held responsible for its remarks on the decision to resume the Team Spirit joint military exercise.

Our side also asked the South side if it meant to resume the Team Spirit joint military exercise when it sent a telephone message to us, urging us to bring a new turning point to discuss the inspection regulation in the chairmen's contact.

While avoiding its responsible reply to this issue, the South side is in a hurry to rationalize a commotion of the nuclear war exercise which it has decided to conduct with outside forces.

Our side said: How is it that the South side's new government attempts to resume the Team Spirit joint military exercise, which its military dictatorial government has suspended? If the South side wants to heal the Korean disease, which was presented as an election commitment, it should immediately cancel the decision to resume the Team Spirit joint military exercise, the most terrible Korean disease.

Our side said that it is foolish for the South side to reach an insidious goal by kicking up a commotion of the military exercise, a product of the end of the cold war, in collusion with outside forces. It repeatedly urged the

South side to cancel its decision to resume the Team Spirit joint military exercise, from the standpoint of national independence.

Our side said that it is a foolish act to pursue an insidious purpose with the military exercise commotions, the offspring of the cold war, in collusion with foreign forces and repeatedly urged the South side to make a decision to revoke the decision to resume the Team Spirit joint military exercise coming back to the position of national independence.

Our side proposed to set the date for the 14th meeting of the North-South JNCC for 29 January to faithfully implement the joint denuclearization declaration and to realize the North-South nuclear inspection soon and to hold a members' contact on 27 January before the JNCC meeting. But the South side opposed the holding of the basic meeting and avoided deciding the date for the meeting.

Concluding the contact, our side noted that the South side even tries not to decide the date for the basic meeting so as to rupture the work of the JNCC and to commit a grave crime before the nation by barring all North-South dialogue with the nuclear war rehearsal and further aggravating tensions. Our side then strongly called the South side to account for the responsibility the South side will have to bear for this.

After all, the South side's unjust position and attitude made it impossible to set the date for the meeting, so the two sides agreed to discuss the form and the date for the next meeting through the hotline.

U.S., ROK in 'Undisguised' 'Nuclear War Moves'

SK2001112893 Pyongyang KCNA in English 1033 GMT 20 Jan 93

[Text] Pyongyang, January 20 (KCNA)—The U.S. imperialists and the South Korean authorities have become all the more undisguised in their nuclear war moves these days.

Riscassi, commander of the U.S. imperialist aggression forces in South Korea, reportedly told a press conference on January 14 that preparations were under way for the "Team Spirit" joint military exercises. And the U.S. imperialists decided to hurl an aircraft carrier, Independence, into the exercises.

Noting that port calls of U.S. Naval warships including nuclear-powered submarines at Sasebo and White Beach port in Okinawa have increased noticeably, the Japanese Asahi Shimbun wrote: The transfer of the operational theatre of U.S. warships shows that the focus of the post-cold war strategy of the U.S. Navy was shifted from the confrontation with the former Soviet Union to a regional dispute, to wit, to the coastal area of the Democratic People's Republic of Korea.

This means that the United States and the South Korean authorities not only make the resumption of the "team spirit" a fait accompli but regard the Korean peninsula as an advance base in executing their "new strategy," "Asia strategy."

U.S. nuclear submarines are now frequenting the Chinhae base in South Korea in secrecy, while the South Korean authorities are putting spurs on their own nuclear arming at the request of the United States and with its support.

The South Korean authorities have already produced not a little amount of highly enriched nuclear bomb-grade uranium and plutonium and smuggled them from a third country and stockpiled them.

The U.S. paper THE NEW YORK TIMES in a recent issue reported that the South Korean authorities were scheming to jointly produce with Britain plutonium which could be used as a raw material of nuclear bombs.

Facts tell that the "suspicion of nuclear development" against the North and other allegations of the South Korean authorities engineered by the United States are aimed at justifying the U.S. moves to turn South Korea into a nuclear base, their own nuclear arming and their joint maneuvers for a nuclear war against the North.

Radio Criticizes RisCassi Remarks on Team Spirit

SK1801084193 Pyongyang Korean Central Broadcasting Network in Korean 0021 GMT 18 Jan 93

[NODONG SINMUN 18 January commentary: "War Maniac's Arrogant, Rash Remarks"]

[Text] South Korea's Munhwa Broadcasting Corporation has recently reported that RisCassi, commander of the U.S. forces occupying South Korea, had told reporters that the U.S. forces had been preparing for the Team Spirit joint military exercise for this year and that because the U.S. President-elect had not presented a plan to withdraw the U.S. forces from South Korea, the South Korean-U.S. Combined Forces Command would not undergo any great change even though the U.S. Government changes hands. RisCassi is a U.S. field commander who not only commands the U.S. forces occupying South Korea but also has the prerogative of supreme control over the puppet forces and personally directs even joint military exercises.

He stated that the United States would maintain its policy of occupying South Korea and conduct the Team Spirit joint military exercise for this year after all. He served as a mouthpiece for the United States. This is intolerable.

As known, since the North and South adopted the historic agreement and the joint denuclearization declaration, an atmosphere for national reconciliation and unity and reunification has been heightened on the Korean peninsula. Public opinion at home and abroad demands that the United States changes its policy in compliance with the changed situation on the Korean peninsula, stop carrying out its policy of occupying South Korea, withdraw the U.S. forces from South Korea, and immediately cancel the decision to resume the Team Spirit joint military exercise. Nevertheless, the United States has insisted on the anachronistic policy of occupation and sought to conduct the war exercise. This again discloses the U.S. unchanging ambition to invade Korea throughout the world.

RisCassi said that the Team Spirit joint military exercise would be conducted as scheduled unless no significant progress is made in the talks designed to denuclearize the Korean peninsula and that the exercise may be canceled depending on the North's attitude toward the nuclear issue. He even made the groundless remarks that he had evidence to suggest that the North has several sorts of weapons for chemical and biological warfare. This is ridiculous.

Instead of canceling the unjust decision to resume the Team Spirit joint military exercise as demanded at home and abroad, RisCassi tried to justify the decision under this pretext. This is truly wicked.

The United States has said as if it were interested in the Korean peninsula's denuclearization and North-South dialogue. This in itself is a mockery of public opinion.

The nuclear issue was raised on the Korean peninsula when the United States had deployed approximately 1,000 units of nuclear weapons in South Korea and turned it into the largest nuclear base in the Far East.

The United States said as if it had withdrawn the nuclear weapons from South Korea. However, it was later revealed that the U.S. nuclear weapons had been concealed in secret storage houses in South Korea and that U.S. nuclear-powered submarines had been calling at South Korean ports. It was also revealed that the United States had reached a grave stage in arming South Korea with nuclear weapons by instigating the South Korean rulers.

The ringleader creating the nuclear threat on the Korean peninsula is no other than the United States. Important progress in the talks which the United States is talking about, means South-North nuclear inspection. However, the United States is in reality responsible for not being able to achieve it.

It forced the South Korean ruling bunch to exclude U.S. nuclear weapons and nuclear bases in South Korea from inspection of facilities at the North-South Joint Nuclear Control Committee [JNCC] meeting, thus making it impossible to make even one regulation for nuclear inspection. Moreover, is it not the United States that made it even impossible to normally operate the JNCC meeting?

Even though they are obstructing the realization of South-North nuclear inspection, they are saying that they cannot cancel the plan to play a nuclear fire game to invade the North because it has not been achieved. This is a brigandish logic of an aggressor and war maniac.

It is preposterous for the United States to newly allege that we have weapons to carry out chemical and biochemical warfare. After World War II biochemical weapons were first used by the imperialists on the Korean peninsula. Because of the biochemical weapons used by the United States, our people experienced great sacrifices. They also vividly remember even today its tragedy even though almost 40 years have passed since the firing has stopped.

It is unimaginable to view that we have biochemical weapons to harm our fellow countrymen. The ones preparing a biochemical warfare on the Korean peninsula are the United States and the South Korean ruling bunch. Today biochemical weapons dragged in from the United States have been deployed in South Korea for actual fighting, and various kinds of chemical weapons produced at its own poison gas factories have been stockpiled there in large quantities.

Whenever they held the Team Spirit joint military exercise, the United States and the South Korean authorities brought in nuclear weapons and biochemical weapons on a large scale. The United States had been spreading rumors of suspicion of North's nuclear weapons. It is even spreading rumors of suspicions of biochemical weapons. This is an intentional fabrication to rationalize its policy on occupying South Korea; the measure to resume the Team Spirit joint military exercise; and to find an excuse to provoke a war to invade the North.

The United States should not confine itself to talking about the end of the cold war and the emergence of a peaceful era, but correct the old policy on Korea of the confrontational era. The United States should no longer insist on the unjust policy of the occupation on South Korea but take measures to cancel the plan to resume the Team Spirit joint military exercise which is bringing about grave consequences in South-North relations.

If the United States moves toward holding the Team Spirit joint military exercise to the end, along with the South Korean authorities, it will have to be fully responsible for all consequences arising therefrom.

U.S., Russian Plutonium Management 'Unreasonable'

SK2101084093 Pyongyang Korean Central Broadcasting Network in Korean 0026 GMT 20 Jan 93

[NODONG SINMUN 20 January commentary: "The Situation Is Causing Serious Concerns"]

[Text] According to reports, the United States and Russia are refusing international management of plutonium extracted from the nuclear warheads scrapped in accordance with START and are avoiding international control of its disposal. This is an unreasonable act causing deep apprehensions and uneasiness. Abolition of nuclear weapons corresponds to peace and security in the world. START enjoys an international welcome because, in the event that this treaty is implemented, the dangerous factors causing nuclear calamities to mankind will be removed.

However, if the process of abolishing nuclear weapons shakes off international control, plutonium extracted therefrom will flow into other countries through any channel, and may possibly be used for insidious purposes. As a result, nuclear weapons will be proliferated.

According to reports, Russia openly expressed its will to acquire interests by selling nuclear fissionable materials extracted in the course of dissolving nuclear weapons.

In August of last year, the United States provisionally signed an agreement on purchasing approximately 200 tons of highly-enriched uranium from Russia over 10 years. Japan showed a move to build a nuclear reprocessing plant in Sibiria and expressed a considerable degree of interest in purchasing plutonium extracted in the course of dissolution.

It is also reported that South Korea is going to purchase nuclear materials from Russia. In a bid to prevent the proliferation of nuclear weapons under this circumstance, the international management of surplus plutonium and international control of its disposal are earnestly required. Such control functions can be carried out by the International Atomic Energy Agency [IAEA].

The United States and Russia should deservedly put surplus plutonium under the management and control of the IAEA. However, the United States and Russia, the trustee nations of the Nuclear Nonproliferation Accords [NNA] who should voluntarily take the initiative in preventing proliferation of nuclear weapons, are not going to cooperate with the IAEA over the issue of management of surplus plutonium. This can hardly be understood in any respect, and one cannot but doubt their ulterior intention.

Such acts by the United States and Russia can be a dangerous example in laying obstacles to future activities of the IAEA. If the United States and Russia obstruct the work of the IAEA by abusing their privileged status of nuclear-weapon states granted by the NNA, they will have to bear full responsibility for a possible collapse of the nuclear nonproliferation system.

Today a great number of world nations strongly demand that the authority of international organizations be enhanced and at the same time, these organizations observe the principle of equitability and consistency based on international justice.

At a time when the democratization of international society is on the order of the day, dual standards must never be allowed in the international organizations. The IAEA is no exception.

The IAEA should deservedly pay deep attention to the disposal of surplus plutonium and discharge its duty in dispelling deep apprehensions and uneasiness in the international community.

If the IAEA fails to execute its functions to control nuclear powers, it will loose its international trust, and as a result, the NNA should inevitably be revised in compliance with the changed reality.

O Chin-u Greets Laotian Counterpart

SK2001114893 Pyongyang KCNA in English 1041 GMT 20 Jan 93

[Text] Pyongyang, January 20 (KCNA)—Marshal of the DPRK O Chin-u, minister of people's Armed Forces, sent a message of greetings to Colonel General Choummaly Sayasone, minister of defence of the Lao People's Democratic Republic, on the occasion of the 44th anniversary of the founding of the Laotian People's Army.

Expressing the belief that the friendly and cooperative relations between the two peoples and two armies will further consolidate and develop in the struggle to realize the cause of socialism, the message wishes the Laotian minister of defence fine success in his responsible work.

Envoys to Iran, Equatorial Guinea, Romania Appointed

SK2201141293 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 22 Jan 93

[Text] Our country's ambassadors extraordinary and plenipotentiary to the Islamic Republic of Iran, the Republic of Equatorial Guinea, and Romania have been appointed.

According to a decree of the DPRK Central People's Committee, Comrade Choe Yong-no has been appointed as ambassador extraordinary and plenipotentiary to the Islamic Republic of Iran, Comrade Yom Tae-yul has been appointed as ambassador extraordinary and plenipotentiary to the Republic of Equatorial Guinea and Comrade Kim Yu-sun has been appointed as ambassador extraordinary and plenipotentiary to Romania.

Cultural Cooperation Agreement Signed With Egypt

SK2101105393 Pyongyang KCNA in English 1001 GMT 21 Jan 93

[Text] Pyongyang, January 21 (KCNA)—The 1993-1994 plan for the implementation of the agreement on cultural cooperation between the governments of the Democratic People's Republic of Korea and the Arab Republic of Egypt was signed here today.

It was signed by vice-chairman of the Committee for Cultural Relations with Foreign Countries Yi Chol-sin and Egyptian Ambassador to Korea 'Ali al-Mutawalli Hijazi.

Steel, Iron Output Posts January Increase

SK2001122093 Pyongyang KCNA in English 1024 GMT 20 Jan 93

[Text] Pyongyang, January 20 (KCNA)—Significant achievements have been made in iron and steel production in Korea entering the new year.

According to figures available at the Ministry of Metal Industry, the output of steel jumped 8 percent, pig iron 15 percent and rolled steel 10.7 percent in the first 20 days of January under the ministry above the same period last year.

The Kim Chaek iron and steel complex, the metallurgical giant in the northern area, boosted the output of steel 10 percent, pig iron 17.8 percent and rolled steel 14 percent in the period by operating in full capacity large blast furnanes and converters.

The Chollima steel complex lifted the output of steel 50 percent and nearly doubled rolled steel output by introducing advanced work methods at the electric furnaces and rolling mills.

NODONG SINMUN: Japan in 'Dangerous' Expansion

SK2201103993 Pyongyang KCNA in English 1018 GMT 22 Jan 93

["What is Japan's 'International Contribution?'"—KCNA headline]

[Text] Pyongyang, January 22 (KCNA)—NODONG SINMUN today raps at the showy signboard of "international contribution" held out by the Japanese ruling quarters these days. Dismissing it as a hypocritical slogan to conceal their sinister purpose, a signed article of the paper says:

Japan must sincerely apologize and compensate for the human and material losses inflicted on Asian peoples in the past before talking about "international contribution."

"International contribution" on the lips of the Japanese ruling quarters is motivated by their intention to protect their interests overseas, put spurs on their overseas expansion and realize their dream of becoming a political power and a military power.

Japan schemes to lull anti-Japanese feelings in other countries, strengthen its position and influence in the political arena of the world, solve international affairs in its favour and widen the road of overseas aggression behind the facade of "international contribution."

It is directly linked with Japan's move to become a military power.

It is the consistent policy of the Japanese ruling quarters to become a military power and guarantee their overseas expansion with military strength. They intend to hasten the building of a military power by convincing the domestic and foreign public that they have to increase the military strength in order to contribute to world peace and security.

The slogan of "the greater east Asia coprosperity sphere" put up by the Japanese militarists in the past meant the full-dress stage of the militarist aggression. The slogan of "international contribution" brought forward by the Japanese reactionary ruling quarters today means their move for overseas expansion has entered a dangerous stage.

Dailies Doubt Japanese Renunication of Military Ambitions

SK2101053193 Pyongyang KCNA in English 0507 GMT 21 Jan 93

["Papers on Remarks of Japanese Prime Minister"—KCNA headline]

[Text] Pyongyang, January 21 (KCNA)—While touring Southeast Asian countries, the Japanese prime minister has said "Japan would never be a military power again". Commenting on this, papers here today say his remarks were intended to lull the Asian people's concern over Japan's conversion into a military power.

In a commentary titled "Actions Speak Louder Than Words" a NODONG SINMUN analyst notes:

The Asian people have seen more than once that Japan has made no bones of working evils after promising not to do them. Only Japan is largely increasing military expenditures today when the cold war has ended and the military spendings have been reduced worldwide. Japan tops the world's list in the increase of military expenditures. Japan which had advertised that it would not dispatch troops overseas railroaded a bill allowing this through the Diet last year and has begun military interference in international disputes.

The Japanese Government decided to introduce AWACS and refueling tankers in the fiscal 1993. This is a step to rapidly expand the operational sphere of the Japanese Army. All facts show that Japan wants to become a military power and exercise military and political influence in the international arena. For this very purpose Japan is trying to become a nuclear power.

If Japan really means what it says about not becoming a "military power", it must show this by deeds. It must, first of all, stop increasing military spendings and cutback arms, cancel overseas troops dispatch and give up the design to arm itself with nuclear weapons.

The utterances of the Japanese authorities which are not backed by action are nothing but a deception of public opinion.

A MINJU CHOSON analyst says if Japan want to hold a due position in the international political arena, it must fully admit and clearly liquidate its past full of crimes and resolutely give up the design for a comeback to Korea and for overseas expansion.

Papers Observe Anniversary of DPRK-Kyrgyzstan Relations

SK2101052593 Pyongyang KCNA in English 0510 GMT 21 Jan 93

[Text] Pyongyang, January 21 (KCNA)—Papers here today observe the first anniversary of the establishment of diplomatic relations between Korea and Kyrgyzstan.

NODONG SINMUN says in a signed article:

Since its independence from the former Soviet Union on August 31, 1991, the Kyrgyz Government has taken various measures for the consolidation of the political independence of the country and for economic stability and development.

The Kyrgyz Government defines neutrality and nonalignment as the fundamental principle of its foreign policy in developing friendly relations with other countries.

To develop friendly and cooperative relations between Korea and Kyrgyzstan accords with the interests and desires of the two peoples.

MINJU CHOSON in a signed article says the Korean people will energetically strive to develop friendly and cooperative relations with the Kyrgyz people under the motto of independence, peace and friendship.

NODONG SINMUN Comments on Issues, Events

Urges Masses To Implement Party Policy

SK2201110093 Pyongyang KCNA in English 1045 GMT 22 Jan 93

["Let Us Make Whole Society Replete With Heroic Fighting Spirit"—KCNA headline]

[Text] Pyongyang, January 22 (KCNA)—NODONG SINMUN today calls on all the officials and working people to fully display mass heroism in order to thoroughly fulfil the tasks set by the great leader President Kim Il-song in his New Year address and glorify this year which marks the 40th anniversary of the victory in the fatherland liberation war as a glorious year of victors.

Repulsing the challenge of the imperialists and defending and further glorifying socialism are an honorable task facing our party and people this year, says the editorial, and continues:

The key to a successful fulfilment of the task is that the entire people display heroism in the efforts for the implementation of the party's policy, united in one mind around the party.

Our party ardently calls on the party members and other working people to greet the 40th anniversary of the victory of the Fatherland liberation war with a high degree of political enthusiasm and splendid achievements. To significantly greet the anniversary is an undertaking of weighty significance in further strengthening the singlehearted unity of the Korean people around the party and the leader and steadily advancing socialism. It is most important to this end that all the party members and other working people inherit the mass heroism displayed by all the people during the war and give full play to it in the current grand onward movement.

The editorial calls on all the party members and other working people to turn out in the heroic struggle with the same high degree of ideological preparedness as was displayed in defending the country from the invasion of the U.S. imperialists, defying death.

Urges Reunification via National Independence

SK2201011593 Pyongyang KCNA in English 1044 GMT 21 Jan 93

["National Reunification Must Be for National Independence"—KCNA headline]

[Text] Pyongyang, January 21 (KCNA)—The country's reunification must be for national independence. This is an important question related to the life and destiny of the nation, says NODONG SINMUN today.

This stands out as a more vital question because the South Korean rulers are trying to place the whole of Korea under the domination of outside forces by "prevailing over communism and absorbing the North," while ignoring the destiny of the country and the nation and persisting in the policy of dependence on outside forces, notes the paper. The author of the article says:

"Reunification" leading to dependence on others is not what our nation wants. If we had intended to live subjected to others, we would neither have needed to wage a protracted and arduous national-liberation struggle nor to fight against the aggression and interference of foreign forces after the country's liberation, defying all sacrifices.

What our nation desires is reunification terminating outside forces' domination and interference and realizing independence, reunification that will lead to the nation's reconciliation and unity and bring a common, unified development and prosperity. Our nation with a strong sense of independence never wants to be dependent on others.

All the Koreans in the North, South and overseas must fight more vigorously to terminate outside forces' domination and interference in South Korea and build an independent, unified state with the nation's own efforts and in reliance on its internal strength, in hearty response to the idea and policy of reunification for national independence which were set out by the great leader President Kim Il-song in his New Year address.

If the South Korean authorities really want to solve the reunification question, they must not dance to the tune of outside forces but renounce the anachronistic policy of dependence on outside forces and confrontation, join hands with fellow countrymen, must not act against fellow countrymen in collusion with outside forces but respect nationwide agreement and sincerely implement the points of North-South agreement.

Collectivism 'Soul' of Socialism

SK2101110093 Pyongyang KCNA in English 1011 GMT 21 Jan 93

["Collectivism is Intrinsic Advantage of Korean-Style Socialism"—KCNA headline]

[Text] Pyongyang, January 21 (KCNA)—In Korea all the members of the society are forming a big family and equally living a happy life, helping and leading each other forward, on the basis of the collectivist principle. Collectivism is the life and soul of Korean-style socialism and its intrinsic advantage.

NODONG SINMUN today says this in a by-lined article.

It quotes the great leader Comrade Kim Il-song as saying:

"On the basis of the collectivist principle 'one for all and all for one' all the members of the society are forming one big family and sharing their joys and sorrows helping and leading each other. This is an important characteristic and intrinsic advantage of our society."

The article notes:

Collectivism is an important characteristic and intrinsic advantage of Korean-style socialism because it is the life and soul and the basis of Korean-style socialism.

Ideology is the life and soul of socialist society. It is, so to speak, collectivism.

All the Korean people identify their destiny with that of the country and the revolution, the society and collective and deem it their greatest honor and happiness to devote their all to the party and the revolution and to the society and collective.

The collectivist principle has been applied on a high level in Korean-style socialist society centred on the popular masses because the leader, the party and the masses, the driving force of the revolution, are sharing the same destiny, closely united as a socio-political organism.

Ours is a socialism based on singlehearted unity in which the whole party, the entire people and all the army are united closely around the great leader and the illustrious leader and all the members of the society remain faithful and devoted to the party and the leader, the mother-body of their life.

Collectivism is an important characteristic and intrinsic advantage of Korean style socialism also because it is the basis and a powerful motive force which engenders all the advantages of our society and constantly gives full play to it.

It is because collectivism is applied in the political field that Korean-style socialism has become a most stable society in the political aspect in which there are no social evils that violate and infringe upon human dignity. And with the collectivist principle strictly applied in the economic management, our economic system has steadily developed in face of pressure and blockade by the imperialists. If we failed to take the collectivist principle as the life and soul of the socialist society and strictly apply it under the leadership of the party, it would have been impossible to build the best socialism in all spheres of politics, the economy and culture as it is today.

Now in Korea strenuous efforts are made to apply the collectivist principle in all aspects of the social life under the tested guidance of the dear leader Comrade Kim Chong-il.

As long as it is under the revolutionary and principled leadership of our party, Korean-style socialism will always be glorified as the most solid and superior socialism based on singlehearted unity.

Commentary Denounces U.S. F-16, F-15 Deployment

SK2101091393 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 19 Jan 93

[Commentary by station commentator Yun Pyong-son: "Arms Buildup Maneuvers That Cannot Be Overlooked"]

[Text] On 17 January, the U.S. imperialists deployed forward their 14 nuclear-carrying F-16 and F-15 fight-bombers from its mainland to Osan Air Base in South Korea. This is a criminal maneuver to further aggravate the situation on the Korean peninsula. Therefore, this cannot be overlooked.

Recently, a very serious military move has been shown in South Korea and in the areas surrounding it. As is already known, the U.S. military bosses have openly made aggressive remarks that they will conduct the '93 Team Spirit joint military exercise, a test nuclear war and a preliminary war exercise, against us. In addition, U.S. naval vessels, including nuclear-powered submarines, are changing their operational stage from the bases on the eastern coast of Japan to Sasebo and Okinawa, which face the Korean peninsula.

On 14 and 15 January, tens of various U.S. transport planes loaded with a large mount of operational equipment flew from the bases in its mainland and in Japan to the U.S. air base occupying South Korea. This war equipment and ammunition is promptly supplied to supply bases. It also mobilized and deployed into the operational areas.

In the skies above South Korea, U.S. fighter-bombers from bases in Japan and in the Pacific region, along with the South Korean puppet air force planes, are conducting war exercises for surprise concentrated strikes against the northern half of the republic.

Under these circumstances, the U.S. imperialists have deployed their nuclear-carrying fighter-bombers from their mainland to South Korea. This is a deliberated plot to buildup their arms to lead the Korean peninsula to the brink of war. This is also a criminal act that cannot be tolerated.

As everyone knows, in their historic agreement the North and South have pledged to the nation and the world that they will not fight against each other, but instead reconcile and cooperate with each other. As a result of the agreement, a bright prospect has been opened for reconciliation, cooperation, and reunification on the Korean peninsula.

The cold war was also ended in the international arena. People's aspirations for peace have been increased throughout the world. These developments create a good atmosphere favorable to the settlement of the Korean peninsula issue.

As such, changes occurred in the situation at home and abroad. Therefore, the situation requires the United States to change its aggressive policy toward Korea. This situation demands that the United States no longer conduct the Team Spirit joint military exercise, a product of the cold war era, which threatens peace on the Korean peninsula. This also demands that the United States withdraw its arms from South Korea.

There is, indeed, no reason for the U.S. imperialists to continue their presence in South Korea. There is also no need for them to buildup their arms there.

Nevertheless, the U.S. imperialists have brought into South Korea 14 nuclear-carrying fight-bombers. This is a link of the whole chain of their plots to buildup arms based on their anachronistic Korean policy. This also clearly show that they continue to hold their aggressive ambition to surely provoke a war for the northward invasion, using nuclear weapons.

At every opportunity, the U.S. imperialists talk about detente and peace. They also loudly babble as if they wanted peace and reunification on the Korean peninsula. This is, however, to divert elsewhere the denunciation by the world people. This is nothing but sophism to hide their aggressive plots.

The U.S. imperialists maneuver to continue building up arms in South Korea. This plot proves that they are brutal warmongers who do not want peace and detente, and that they are the main ringleaders who block Korean reunification.

Because of the U.S. imperialists' and the South Korean authorities' indiscriminate building up of arms and their plots for war, a very grave situation—in which war can break out at any time—is now being created on the Korean peninsula.

If they are interested in detente on the Korean peninsula, even a little, the U.S. imperialists should immediately withdraw their war equipment from South Korea. They should immediately stop conducting all kinds of war plots, such as the Team Spirit joint military exercise.

Without doing this, if the U.S. imperialists continuously rush to commit new war provocations, challenging our people's and the world people's aspiration for peace, they will meet with denunciation and opposition from people at home and abroad.

KCNA Reviews 22 Jan Pyongyang Press

SK2201052493 Pyongyang KCNA in English
0503 GMT 22 Jan 93

[Press review]

[Text] Pyongyang, January 22 (KCNA)—NODONG SINMUN today carries messages of greetings sent to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, by party and state leaders of various countries on the occasion of the new year 1993.

It is reported in papers that the great leader President Kim Il-song sent thanks to the farmers of the Songgwan cooperative farm, Songwon County, Jagang Province, who had set an example in agricultural production last year and in this year's farming preparations.

According to the press, foreign media reported the New Year address of President Kim Il-song and Zimbabwean and Pakistani political figures released statements supporting it.

"The Historical Lesson in Building Socialism and the General Line of Our Party", a work of the dear leader Comrade Kim Chong-il, has been disseminated and studied in different countries, reports NODONG SINMUN.

NODONG SINMUN editorially calls for the display of all-people mass heroism to smash the counterrevolutionary offensive of the enemy with a revolutionary offensive and demonstrate the invincible vitality of Korean-style socialism.

The press carries news of innovations effected in the production of fertilizers and in the new year's farming preparations.

NODONG SINMUN devotes large space to a story about three young soldiers who saved a drowning school boy, risking their lives.

Papers convey news that the Korean ambassador presented his credentials to the Senegalese president and the Indian president met the Korean ambassador.

South Korean fishermen who had come over to the northern half of the country through the West Sea of Korea met with reporters in Pyongyang, says the press.

The press reports that the U.S. imperialists and the South Korean puppets staged a large-scale air war exercise against the North.

Seen in the press are reports that workers have struggled for their vital rights in different parts of South Korea and an opposition party of South Korea decided to form a committee for exposing the irregularities of the "Sixth Republic".

A NODONG SINMUN analyst lambastes the South Korean authorities' decision to raise public utility fees and a MINJU CHOSON analyst lashes at their development of nuclear weapons.

An article of MINJU CHOSON declares that implementing foreign policy of independence, peace and friendship is the consistent stand of the DPRK.

Papers convey what foreigners said praising the chuche idea and the Korean socialist system.

It is reported in the press that statements were issued in various countries supporting the cause of Korean reunification and the decision of the United States and the South Korean authorities to resume the "Team Spirit" joint military manoeuvres was condemned in Madagascar and Colombia.

The press informs the readers that the president of the State of Palestine called for unity and solidarity among the Arab nations and the Indian prime minister outlined the urgent tasks facing the nation.

NODONG SINMUN carries economic news from Laos, Pakistan and the Philippines.

NODONG SINMUN and MINJU CHOSON criticise the Japanese reactionary ruling circles of dispatching their troops overseas under the pretext of "international contribution".

KCNA on 21 Jan Press

SK2101052393 Pyongyang KCNA in English 0501 GMT 21 Jan 93

[Press review]

[Text] Pyongyang, January 21 (KCNA)—NODONG SINMUN today frontpages a message of greetings sent by the great leader President Kim Il-song to Sadao Yamahana upon his election as chairman of the Central Executive Committee of the Japan Social-Democratic Party.

The paper carries news that President Kim Il-song sent thanks to the teachers of the Korean Linguistics faculty and postgraduates of Kim Il-song University who contributed to developing Korean languages and letters by replacing some words of the Korean traditional medicine with native words of Korea.

Carried in the paper are messages of greetings to President Kim Il-song from foreign party leaders on the occasion of the new year 1993.

Immortal classical works of the dear leader Comrade Kim Chong-il were reported in different countries, says the press.

NODONG SINMUN carries a letter to the Central Committee of the Workers' Party of Korea sent by Toe de stanislas, general secretary of the Democratic Youth Revolutionary Party of Burkina Faso, denouncing the decision of the United States and the South Korean authorities to resume the "Team Spirit" joint military exercises.

The foreign visitors to Korea said that socialism of Korea is a true society which ensures the happiness of people, according to the paper.

Econews of the press includes innovations in railway transport and the production of mining equipment.

"Collectivism Is Essential Superiority of Korean-style Socialism" is the title of a NODONG SINMUN article.

Papers give an account of a national seminar on experiences of commercial and service workers in the "Chong Chun-sil movement".

NODONG SINMUN rounds up the repercussions of the performances of Pyongyang National Circus upon Germany.

The paper in a commentary denounces the utterances of South Korean "President-elect" Kim Yong-sam that he would raise "human rights problem" as well as "nuclear issue" in dialogue with the North.

Papers report that an exhibition of paintings and writings of South Korean prisoners of conscience opened in Tokyo and co-chairman of the "Family Movement for Realising Democracy in South Korea" (Mingahyop) [The Council of the Family Movement for Practicing Democracy] in a lecture in Tokyo stressed that unification would be achieved without fail.

NODONG SINMUN prints a telephone message sent by the North side's chairman of the North-South Joint Nuclear Control Committee to his counterpart of the South side, proposing to discuss the resumption of the "Team Spirit" joint military exercises in a contact between the chairmen of the two sides.

The world public condemned the United States and the South Korean authorities for having laid obstacles in the way of the implementation of the North-South agreement and the U.S. imperialists for having staged a long-distance air strike exercise in the sky above South Korea, says the paper.

The paper in an article stresses that national reunification should be reunification for realising national independence.

Papers comment on remarks of the Japanese prime minister during his recent trip of Southeast Asian countries that Japan would not be a military power again.

NODONG SINMUN reports that the Cuban paper GRANMA exposed the serious economic crisis of the

United States and Japanese organisations urged the authorities to early normalize diplomatic relations between Japan and the DPRK.

The second vice-president of Tanzania underlined the justness of the policy of socialism and self-reliance, the chief of the United Nations transitional authority in Cambodia voiced support for the presidential elections scheduled in Cambodia and Egypt and Tunisia issued a joint communique confirming their support to peace process in the Middle East, says the paper.

Papers dedicate articles to the first anniversary of the opening of diplomatic relations between Korea and Kirghizstan.

NODONG SINMUN carries an article on a series of new political moves in Nicaragua.

"End of Cold War and Question of Democratising International Community" is the title of another NODONG SINMUN article.

KCNA on 20 Jan Press

SK2001052693 Pyongyang KCNA in English 0448 GMT 20 Jan 93

[Press review]

[Text] Pyongyang, January 20 (KCNA)—Papers here today carry news that the great leader President Kim Il-song's New Year address for this year was reported by foreign news media.

NODONG SINMUN reports that President Kim Il-song received New Year messages and letters from different countries.

The daily gives an account of a lecture on the New Year address of President Kim Il-song given at the Asian Regional Institute of the Chuche Idea.

It is reported in the daily that a statement was published and a meeting held in different countries to support the policy of national reunification clarified by President Kim Il-song in his New Year address.

Immortal classical works of the dear leader Comrade Kim Chong-il were carried by foreign papers, says the press.

NODONG SINMUN reports that Comrade Kim Chong-il sent thanks to the ministry of the ship-building industry and its material supply campany which creditably carried out economic organisation, technological guidance and material supply to build the large cargo-passenger ship "Mangyongbong-92", the passenger ship "Chong-il Pong Sonyon", the 6,000-ton floating dock, tugboats and barges in a short span of time at the Hambuk Shipbuilding Complex, the Nampo Shipbuilding Complex and the Wonsan Shipbuilding Yard.

The daily rounds up voices of visitors to the DPRK book, photo and handiwork exhibitions held in different countries.

The press reports about increased production at factories and enterprises under the ministry of the building-materials industry.

NODONG SINMUN comes out with an article entitled "coal, power and metal industries are the main aspect on which efforts should be concentrated in economic construction this year" and MINJU CHOSON an article captioned "To Adhere to Revolutionary Principle and line is a Guarantee for Victory of Socialist Cause".

The Angolan, Swiss and Peruvian presidents met DPRK ambassadors to their countries, reports the press. A commentary of NODONG SINMUN condemns the South Korean authorities for suppressing with government power the South Korean workers' struggle demanding wage hike and payment of wages in arrears.

The daily reports that a South Korean University professor stressed that a shortcut to reunification lies in advancing under the banner of national independence and Father Mun Kyu-hyon who was released on parole declared in an interview with the South Korean paper KYONGHYANG DAILY NEWS that reunification is a vital task related to the interests and destiny of nation.

The daily runs an article saying that the North-South agreement should be sincerely implemented on the principle of national independence.

The daily in a commentary says that the United States and Russia are turning down the international management of plutonium from nuclear warheads that are removed in accordance with the START treaty and are avoiding international control over its disposal.

The daily in a commentary condemns U.S. Defense Secretary Cheney for prattling in his "defense report" that the U.S. forces should be continuously stationed in South Korea, while taking issue with the "nuclear suspicion" of the DPRK.

It reports that the chairman of the PLO Executive Committee outlined the peace in the Middle East and the Palestinian problem, the Angolan president confirmed his intention to solve the domestic dispute in a peaceful way, the Indonesian president called for easing the tensions in the Middle East and foreign ministers of the ASEAN expressed full support to the presidential election with Samdech Norodom Sihanouk as a candidate.

The daily informs the readers that there was the third U.S.-led coalition attack on Iraq.

In an article headlined "International Anger at Japan" the daily says the world public lashed out at the wrong behaviour of the Japanese Government to evade the problem of the "comfort women for the army".

Reportage on Yi Kye-paek Funeral

State Funeral in Pyongyang

SK2501110993 Pyongyang KCNA in English 1051 GMT 25 Jan 93

[Text] Pyongyang, January 25 (KCNA)—The funeral of the late Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party, was held at the cemetery of patriotic martyrs on the suburbs of Pyongyang today as a state funeral.

Present at the funeral together with the bereaved family were vice-president Yi Chong-ok, vice-premier and foreign minister Kim Yong-nam and chief of the general staff of the Korean People's Army Choe Kwang who are Politburo members of the C.C., the Workers' Party of Korea, and other cadres and officials [words indistinct] vice-president Yi Chong-ok said Mr. Yi Kye-paek was an ardent patriot and prominent political activist who devotedly struggled for the strengthening and development of the Koreans' movement in Japan, the prosperity and development of the homeland of chuche and the independent and peaceful Reunification of the country.

Noting that the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il showed deeper love for him than anyone else, he recalled that the great leader, upon receiving the sad news of his death, sent a wreath to his bier and personally visited it to express condolences with deep sorrow.

Yi Chong-ok said that though he passed away, he would remain always in the memory of our people as a valuable comrade who had covered the road of patriotism with them and the exploits he performed for the country and the nation in face of all hardships would be handed down long in the history of the reunified country.

Kim Il-song Visits Bier

SK2501015793 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 24 Jan 93

[Text] The great leader Comrade Kim Il-song visited the bier of late Chairman Yi Kye-paek and expressed his condolences. Comrade Kim Il-song, the great leader of our party and people, on 24 January visited the bier of late Yi Kye-paek, chairman of the Korean Social Democratic Party, and expressed his deep condolences.

Wreaths sent from the great leader Comrade Kim Il-song and Comrade Kim Chong-il, supreme commander of the Korean People's Army, were placed beside the bier.

Wreaths sent from the Workers Party of the Korea Central Committee; DPRK Central People's Committee; DPRK Administration Council; Korean Social Democratic Party Central Committee; the Chondoist Chongu Party Central Committee; committees and ministries of the Administration Council; central organizations; public organizations; and organizations in Pyongyang, were also placed beside the bier.

The bereaved family of the deceased and members of the funeral committee lined up beside the bier. The honor guard also stood in line.

The funeral march was solemnly played, and the atmosphere was filled with sadness for Mr. Yi Kye-paek, patriot and political activist who dedicated himself to the patriotic works of the General Association of Koreans Residing in Japan for democratic national rights of Korean compatriots in Japan under the wise leadership of the respected President Kim Il-song. Mr. Yi Kye-paek also devoted his whole life to the prosperity and development of the fatherland, and to the struggle for independent and peaceful reunification of the nation. The great leader Comrade Kim Il-song paid a silent tribute to the deceased.

After viewing the bier of the deceased, the great leader Comrade Kim Il-song met with the bereaved family of the deceased and gave them warm words of comfort.

Officials Visit Bier

SK2501031193 Pyongyang Korean Central Broadcasting Network in Korean 1310 GMT 24 Jan 93

[Text] Cadre members of the party and the government on 24 January visited the bier of the deceased and expressed their deep condolences on the death of Mr. Yi Kye-paek, chairman of the Korean Social Democratic Party. Wreaths sent by the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il were placed beside the bier.

Wreaths sent by the Workers Party of Korea [WPK] Central Committee; DPRK Central People's Committee, and DPRK Administration Council were also placed beside the bier.

The honor guard of the Korean People's Army [KPA] stood in line beside the bier.

Comrade Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice president; Comrade Kim Yong-nam, member of the Political Bureau of the WPK Central Committee, vice premier of the Administration Council and foreign minister; Comrade Choe Kwang, member of the Political Bureau of the WPK Central Committee and chief of the general staff of the KPA; Comrades Kye Ung-tae and Chon Pyong-ho, members of the Political Bureau of the WPK Central Committee and secretaries of the party Central Committee; Comrades Choe Tae-pok and Kim Yong-sun, candidate members of the Political Bureau of the WPK Central Committee and secretaries of the party Central Committee; Comrade Choe Yong-nim, candidate member of the Political Bureau of the WPK Central Committee, vice premier of the Administration Council and minister of metallurgical industry; Comrade Kim Tal-hyon, candidate member of the Political Bureau of the WPK Central Committee, vice premier of the Administration Council and chairman of the State Planning Committee; Comrades Hong Song-nam and Kang

Hui-won, candidate members of the Political Bureau of the WPK Central Committee and vice premiers of the Administration Council; Comrades Yun Ki-pok, So Kwan-hui, Hwang Chang-yop and Pak Nam-ki, secretaries of the WPK Central Committee; Comrades Kim Pok-sin, Kim Yun-hyok and Chang Chol, vice premiers of the Administration Council; and Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly, visited the bier and expressed their condolences.

Amid the playing of the funeral march, the cadre members of the party and the government paid a silent tribute to the deceased who was endlessly and single-heartedly loyal to the respected leader President Kim Il-song until the last moments of his life. He dedicated all of his energy to the prosperity and development of the fatherland, to the happiness of the people and to the independent and peaceful reunification of the nation.

The cadre members of the party and the government expressed their deep condolences to the bereaved families of the deceased.

Radio's Obituary

SK2401050893 Pyongyang Korean Central Broadcasting Network in Korean 0310 GMT 24 Jan 93

[Obituary for Yi Kye-paek, chairman of the Central Committee of the Korean Social Deomcratic Party]

[Text] Mr. [sonsaeng] Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party, regrettably passed away after an illness at 1900 [1000 GMT] on 23 January 1993 at the age of 87.

When he was young Mr. Yi Kye-paek went to Japan before the nation's liberation. Shouldering the nation's destiny of misfortune, he traveled a road of many tribulations. Under the wise leadership of President Kim Il-song after the nation was liberated, Mr. Yi Kye-paek dedicated himself to patriotic works by the General Association of Koreans Residing in Japan [Chongnyon], working for the democratic national rights of Korean compatriots residing in Japan. He devoted his whole life to the struggle for prosperity and development of the fatherland and for the independent and peaceful reunification of the nation. He was a patriot and a political activist.

Mr. Yi Kye-paek was born in Siun-ri, Aewol myon, Cheju Island, South Korea, on 5 January 1906 when the Japanese imperialists' aggression on Korea became apparent. When he was 8 years old, he suffered from painful labor in the strange land of Japan. He then participated in the anti-Japanese patriotic movement, being unable to bear the Japanese imperialists' policy of colonial enslavement of the Korean people and policy of national oppression.

After the national liberation, Mr. Yi Kye-paek worked for the League of Koreans Residing in Japan and the Democratic United Front of the Korean Residents in Japan. He was at the van of the formation of Chongnyon, and did excellent work in upholding the respected leader Comrade Kim Il-song's policy on turning the movement of Koreans residing in Japan into a chuche-based line. Following this, for a long time he held important positions, including vice chairman of the Chongnyon Central Executive Committee. He was elected as the first overseas deputy to the DPRK Supreme People's Assembly [SPA]. He actively dedicated himself to strengthening and developing Chongnyon organizations; to realizing the return of Koreans residing in Japan to their home country; to Chongnyon's overseas works; and to the work for national reunification.

Mr. Yi Kye-paek visited the socialist fatherland many times and had the honor of being received by the respected President Kim Il-song. Deeply impressed by the great leader's profound chuche-based philosophy, outstanding views on socialist construction, and noble moral reputation, Mr. Yi Kye-paek came to uphold and admire the respected leader as the sun of the nation and as a matchlessly great man.

Cherishing a sense of endless admiration and respect for the respected President Kim Il-song, after he returned to the fatherland Mr. Yi Kye-paek worked as chairman of the Korean Social Democratic Party Central Committee and as a member of the DPRK SPA Executive Committee. He caused a broad range of people from all walks of life at home and abroad to rally behind the respected President Kim Il-song and accelerated the nation's socialist construction. He struggled by dedicating all of his energies to implementing the policy of the independent and peaceful reunification of the nation put forward by the leader.

Mr. Yi Kye-paek's life was that of a patriot who was endlessly and single-heartedly loyal to the respected leader President Kim Il-song.

For his outstanding merit to the nation and the people, Mr. Yi Kye-paek was awarded a number of state citations, including the tile of labor hero of the republic—the highest meritorious honor—and the Kim Il-song medal.

The death of Mr. Yi Kye-paek is a great loss to our people, who are struggling for national reunification and for the nation's prosperity. Although Mr. Yi Kye-paek passed away before seeing the national reunification to which he earnestly aspired, his achivements on behalf of the nation and the people will shine forever.

[Dated] 23 January 1993

[Signed] The DPRK Central People's Committee, the Central Committee of the Democratic Front for the Reunification of the Fatherland, the Central Committee of Korean Social Democratic Party

State Funeral Committee Named

SK2401051093 Pyongyang Korean Central Broadcasting Network in Korean 0315 GMT 24 Jan 93

[Text] The DPRK Central People's Committee, the Democratic Front for the Reunification of the Fatherland Central Committee, and the Korean Socialist Democratic Party Central Committee organized a state funeral committee for the late Chairman Yi Kye-paek. The following were named to be on the committee:

Comrades Kang Song-san, Yi Chong-ok, Kim Yongnam, Choe Kwang, Kim Yong-sun, Kim Chung-nin, Kim Kuk-tae, Chang Chol, Chi Chang-ik, Chong Sinhyok, Yo Yon-ku, Kim Yong-ho, Yu Ho-chun, Paek Nam-chun, Han Ki-chang, Choe Yong-hae, Pak Su-tong, Kang Hyong-sop, Pak Tae-ho, Chang Chae-chol, and Kang Tae-mu.

The state funeral committee for late Chairman Yi Kyepaek announces:

Late Chairman Yi Kye-paek's bier is in the Sojang clubhouse in Potonggang district, Pyongyang. Visitors wishing to pay condolences and bid their last farewell to the deceased are asked to be there between 1000 [0100 GMT] on 24 January and 0900 [0000 GMT] on 25 January. The bier will be carried out for burial at 1000 [0100 GMT] on 25 January.

Overseas Group Sends Condolences

SK2501052593 Pyongyang KCNA in English 0459 GMT 25 Jan 93

[Text] Tokyo, January 24 (KNS-KCNA)—A message of condolence came to the State Funeral Committee from Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), on January 24 on the death of Mr. Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party.

Upon receiving the sad news of his death, I express deep condolences to the state funeral committee and the bereaved family, the message says, and adds:

Chairman Yi Kye-paek devotedly struggled to contribute to the patriotic work of Chongnyon, the socialist construction in the motherland and the cause of the independent and peaceful reunification of the country.

His was a life of a patriot who always remained faithful to the respected leader generalissimo Kim Il-song and the dear leader marshal Kim Chong-il. His exploits for the country and the nation and his noble patriotic spirit will remain long in the patriotic cause of Chongnyon along with the motherland.

South Korea

Government Informs North of Plans To Hold Team Spirit

SK2501084193 Seoul YONHAP in English 0832 GMT 25 Jan 93

[Text] Seoul, Jan. 25 (YONHAP)—South Korea made good on its warning Monday and formally notified North Korea that it will resume the "Team Spirit" military exercise with the United States this year.

Chong Tae-ik, director-general of the Foreign Ministry's American Affairs Bureau, said that this was the first decision on Korea by the new American President, Bill Clinton, and claimed that "the Team Spirit resumption is a clear indication of Washington's continued determination to deter North Korea's nuclear development."

The notification was made at a chairman's contact of the Joint Nuclear Control Commission (JNCC) with Kong No-myong, Seoul-side chairman, saying the decision was "inevitable" due to lack of progress on North Korea's suspected nuclear weapons development.

The two sides parted without deciding on the date of the next full commission session, with Seoul insisting on working-level contacts iron out all the details and leave the commission to merely sign the inspection agreements, officials said.

South Korea and the United States have held Team Spirit annually from 1976, but canceled it in 1992 when North Korea promised to sign a nuclear safeguards accord with the International Atomic Energy Agency.

But they decided at last year's security consultative meeting to resume it in 1993 unless Pyongyang agreed to inter-Korean simultaneous nuclear inspection.

Seoul, to clear North Korea's charges that Team Spirit is a mock nuclear exercise, invites Pyongyang to observe the manuever but North Korea keeps refusing because it is a joint exercise with the United States, officials here say.

South Korea is likely to invite North Korea again this year along with China, Russia and members of the neutral nations supervisory committee—Switzerland, Sweden, Poland and Czech.

JNCC Contact Results in 'No Noteworthy Progress'

SK2501040593 Seoul KBS-1 Radio Network in Korean 0300 GMT 25 Jan 93

[Text] The North and the South this morning held a contact between chairmen of the North-South Joint Nuclear Control Committee [JNCC] in the House of Peace in our side's area at Panmunjom. They discussed measures for a solution to the nuclear issue.

At today's contact, our side noted that to realize mutual nuclear inspections at an early date, the holding of a plenary meeting is desirable after working out inspection regulations by intensively holding a members' contact.

The North side, however, claimed that suspending the "Team Spirit" exercise should be discussed as a basic agenda item. As a result, there was no noteworthy progress at the contact.

National Assembly To Meet 9 February

SK2501124993 Seoul YONHAP in English 1225 GMT 25 Jan 93

[Text] Seoul, Jan. 25 (YONHAP)—A special National Assembly sitting is set to open on Feb. 9 for the first time after the presidential election last December.

The three major parties—Democratic Liberal, Democratic and United People's parties—agreed Monday afternoon that they would hold the 160th extraordinary National Assembly session for 20 to 30 days beginning Feb. 9. They decided to set the exact period of the session upon return home of the floor leaders of the two opposition parties who are now on overseas tours.

The Democratic Liberal Party earlier rejected an opposition call for a special assembly sitting. The majority party made an aboutface Monday, facilitating the joint three-party convocation of the assembly session.

The opposition Democratic and United People's parties planned that if the majority party opposed to a special session to the end, they would call it by themselves Monday.

Though the three parties agreed on the special session, they differ widely on floor schedules. The majority party hopes to skip party heads' speeches and interpellation of cabinet members in favor of a floor operation focused on standing committee sessions on such matters as Uruguay round talks and support for small industries.

But, the opposition parties favor party heads' speeches and question-and-answer sessions on such sensitive matters as allegedly biased handling of election law violators and large-scale projects like the highspeed railway and new airport schemes.

DPRK Team Reportedly To Tour U.S. Seeking Investors

SK2401094193 Seoul KBS-1 Radio Network in Korean 0900 GMT 24 Jan 93

[Text] North Korea, which is in serious economic difficulty, is planning to hold meetings in the United States soon to explain how people can invest in North Korea. North Korea legislated and promulgated a foreigners' investment law and a joint-venture law last October as part of its efforts to ease the economic difficulty.

North Korea's investment explanation meetings will be held in major cities in the United States beginning with Minneapolis, Minnesota around the end of January. The North Koreans will conduct the investment inducement activities mainly with U.S.-resident Koreans rather than Americans, a government official concerned disclosed today. This is the first time North Korea will hold an investment explanation meeting in the United States.

North Restricts Incoming News, Diplomatic Movements

SK2301011093 Seoul KBS-1 Radio Network in Korean 0000 GMT 23 Jan 93

[Text] North Korea has recently begun to restrict many activities of the foreign diplomatic envoys in Pyongyang in an apparent attempt to prevent Western news from flowing into North Korea, according to a government diplomatic source.

The source said that according to information obtained by our overseas diplomatic mission, early this month North Korea began to impose restrictions, through its Foreign Ministry and Public Security Ministry, on diplomatic envoys in Pyongyang against their contacting North Korean residents. There is frequent surveillance conducted on their official activities as well.

The source said that North Korea began to restrict the reading of Russian papers and China's RENMIN RIBAO, which often carry reports on the ROK, at the same time.

ROK Banks, Companies Said Targets of U.S. Tax Audits

SK2201040693 Seoul THE KOREA TIMES in English 22 Jan 93 p 9

[Text] Korean banks and trading firms operating in the United States have become the target of tax audits as part of the U.S. government's effort to strengthen taxation on foreign-owned enterprises, Yonhap News Agency reported yesterday, quoting Korean business sources.

Intensive and extensive tax audits come as President Bill Clinton takes office after promising voters during the election campaign that he would enforce the tax law more strictly and prevent possible tax evasion by foreign corporations.

The number of foreign-owned companies which are the targets of the Internal Revenue Service's tax audits this year is more than doubled from last year to about 2,500.

Korean corporations doing business in the United States include Samsung Co., Hyundai Corp., Daewoo Corp., Lucky-Goldstar International, Hyundai Motors Co., Samsung Electronics Co., Korea Exchange Bank and Cho Hung Bank.

The U.S. Congress is currently deliberating a revision to the Federal Tax Law, to be known as provision 482, aimed at checking tax evasion through transfer pricing.

Transfer pricing is a means to reduce the amount of tax by pricing imported commodities from home companies high, thus cutting the profit marging in the United States, which are the subject of U.S. taxation.

If provision 482 becomes law, many Korean-owned companies will have no choice but to leave the United States, the sources said.

The Internal Revenue Service (IRS) estimates that foreign-owned companies in the United States are evading some 30 billion U.S. dollars annually in taxes through transfer pricing.

Among Korean-owned companies, Samsung Electronics and Daewoo America have been slapped with heavy taxes on suspicion of transfer pricing, according to the sources.

The IRS is checking foreign-owned trading firms to see if they are violating Federal Tax Law provision 385, which aims at prohibiting firms from borrowing heavily from their home companies to carry out their businesses instead of capitalizing in the United States, according to the sources.

Foreign-owned companies in the United States could evade tax by paying interest on the money they borrowed from their home companies. The U.S. government wants to impose tax on the interest payments on their borrowed money as part of profits.

President Clinton has pledged to seek government revenue of about 45 billion dollars from foreign-owned corporations in the United States over a period of four years.

The U.S. government's crackdown on tax evasions of various form are chiefly aimed at Japanese and German companies in the United States, the sources said.

Methods To Ease U.S.-ROK Trade Friction Examined

SK2501122093 Seoul SEOUL SINMUN in Korean 25 Jan 93 p 3

[Editorial]

[Text] There is a growing concern that U.S. trade pressure upon the ROK will be increased with the inauguration of U.S. President Clinton. Such a concern is based on the fact that the propensity of the new administration's major trade-related secretaries as well as the keynote of economic policy pursued by President Clinton takes on a color of protectionism.

The U.S. Trade Representativee, Mickey Kantor, who will exclusively deal with trade negotiations, said in a Senate hearing for approving his appointment that "The revival of Article Super 301 will be effective in aggressively urging the countries doing trade with the United States to open their market and in lowering the foreign countries' trade barrier." The U.S. Tax Office is conducting an extensive tax investigation into ROK businesses' locally incorporated firms in the United States with the inauguration of the new U.S. administration.

The United States and the ROK still have many minor and major pending issues in their trade relations: These issues include not only bilateral issues such as the improvement of investment environment, the openness of the financial market, the protection of intellectual property rights, and the dumping of semiconductors, but also multilateral issues including the opening of rice market related to Uruguay Round negotiation. The degree of U.S. pressure applied in its trade policy has had a considerable impact upon our trade and industrial policy. Therefore, we should keep our eyes on the direction of the Clinton administration's trade policy and have a proper strategy to cope with it.

As a result of our steady efforts to open the domestic market, ROK-U.S. trade is maintaining an equilibrium. Apart from clinging to a negative side called trade friction, the two countries should develop their trade relations to a higher level through industrial cooperation. It is not desirable for the United States to rely on only conventional means called trade pressure in a bid to accelerate investments, increase employment, and thus vitalize the economy so that the United States can solve domestic economic problems.

The United States should first regain a competitive edge, which it has lost, in order to vitalize its economy and solve the question of its trade deficit.

We would like to point out what the two countries should keep in mind in dealing with the two countries' trade issues: First, the two countries should not make a mistake of misunderstanding the other side from lack of understanding; second, the two countries should maintain trade relations based on confidence; and third, the two sides should develop a mutually complementary industrial cooperation. In the past, a civilians movement to expel excessive consumption was viewed as a movement opposing the openness of domestic markets, thus straining the two countries' trade relations. The two countries should try to prevent this kind of case from recurring.

Just as the two countries have faithfully fulfilled the agreements on intellectual property rights, they should keep it by any means once they make a promise and thus build up mutual confidence. If one side encounters any difficulty in keeping the promise, it is important to give the other side a satisfactory explanation and show our firm stance by making our position clear. The United States should also regard a civilian-level issue as a state-level trade issue and refrain from increasing its pressure. The United States and the ROK have many mutually complementary areas in their capability to develop technology and production capability to apply and utilize such a technology. If the two countries intensify cooperation in a high-tech industry particularly, it will greatly contribute to strengthening the two countries' industrial competitiveness as well as alleviating their trade friction.

Economic Institute Predicts Exports Growth

SK2501091093 Seoul YONHAP in English 0839 GMT 25 Jan 93

[Text] Seoul, Jan. 25 (YONHAP)—Exports will reach 84.6 billion U.S. dollars on a customs clearance basis this year, up 9.9 percent from last year's 77 billion dollars, a private economic research institute forecast Monday.

With a fast economic recovery by the advanced countries and brisk trade with the developing countries as they expand imports and economic infrastructure, Korean exports will grow nearly as much as 1991's 10.5 percent in 1991 and more than last year's 6.8 percent, the Daishin Economic Research Institute said.

In 1991, exports rose by 6,855 million dollars to 71.87 billion dollars. Exports to the United States had fallen since 1989 but were expected to grow 5.5 percent to 19 billion dollars under President Bill Clinton, Daishin said.

Exports to Japan will rise 3.5 percent, reversing last year's 5.8-percent decline, to 12 billion dollars due to Tokyo's promotions of imports and economic cooperation with developing countries, and its brighter economic prospects, Daishin said.

Encouraged by active economic performance in Europe's single market, exports to the region are expected to grow 8.5 percent to 13.1 billion dollars, compared with a decline of 5.3 percent in 1992.

Exports to the Association of Southeast Asian Nations (ASEAN) and China will swell 23.5 percent and 32 percent to 10.7 billion dollars and 5.8 billion dollars, respectively.

Lower Interest Rates Effective 26 Jan

SK2201011193 Seoul YONHAP in English 1126 GMT 21 Jan 93

[Text] Seoul, Jan. 21 (YONHAP)—The lowered Bank of Korea rediscount and commercial bank interest rates will take effect on next Tuesday, Jan. 26.

A high-level consultative meeting between the administration and the majority Democratic Liberal Party [DLP] Thursday agreed on the effective date of the new bank rates.

At the meeting held at the DLP office at Yoido, Finance Minister Yi Yong-man and DLP Policy Committee chief Hwang In-song decided to put the new rates into force on Jan. 26 subject to approval by the Monetary Board set to meet on the same date. Attendees agreed on the need to additionally reduce bank rates to revive investment sentiments and expand the economy's potential growth. But, they decided to effect a second-stage bank rate liberalization after the birth of the new administration following a careful study of additional bank rates cut by a task force team.

The decrease of commercial banks' lending interest rates by 1.5 to 2 percent is expected to have the effect of reducing the financial burdens of loan-using industries and families by about 3,500 billion won.

The downward readjustment of bank deposit and lending rates is the first of its kind to be effected in three years and three months after a similar reduction was announced in November 1989.

External Trade Increase Lowest in Asia

SK2201042193 Seoul YONHAP in English 0052 GMT 22 Jan 93

[Text] Seoul, Jan. 22 (YONHAP)—South Korea's external trade rose 3.3 percent last year, the lowest figure among major Asian trading countries, the Korea Foreign Trade Association (KFTA) said Friday. This compares with 22.1 percent for China, 21 percent for Hong Kong, 10.4 percent for Taiwan and 6.4 percent for Singapore.

Korea had exports of 76.8 billion U.S. dollars and imports of 81.7 billion dollars for a total of 158.5 billion dollars, up 3.3 percent from 153.4 billion dollars in 1991.

China hit 85 billion dollars of exports and 80.6 billion dollars of imports for 165.6 billion dollars of total trade, up from 135.6 billion dollars in 1991.

Hong Kong posted 118.7 billion dollars of exports and 121.8 billion dollars of imports for 240.5 billion dollars of total trade, up from 198.8 billion dollars in 1991. Taiwan hit 81.5 billion dollars of exports and 72 billion dollars of imports for 153.5 billion dollars of total trade, up from 139.1 billion dollars in 1991.

Singapore posted 62.4 billion dollars of exports and 70.9 billion dollars of imports for 133.3 billion dollars of total trade, up from 125.3 billion dollars in 1991.

World Bank: ROK Enjoys Highest Income Growth Rate

SK2001022293 Seoul YONHAP in English 0201 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—The World Bank has rated South Korea as having the world's highest rate of growth in per capita income in 1991 at 8.8 percent. It also says in an undated report that Korea's per capita income of 6,340 U.S. dollars placed it 30th in the world in the same year.

The country was 15th in gross national product (GNP) with 274 billion dollars, close behind Australia with 287.8 billion dollars and the Netherlands with 278.8 billion dollars. Its population was 23rd largest with 43 million, while 86 percent of children entered secondary school, good for 21st place in 1991. Women's employment was 34 percent, or 69th place. The average among advanced countries was 40 percent.

In gross domestic product (GDP) by energy, Korea produced 3 dollars per kilogram of energy (83rd place) against Japan's 6.7 dollars as it did not use energy efficiently. Forest accounted for 66 percent of the land (15th place) in 1988, vindicating the country's forest protection policy of the 1970's.

North Korea's population grew 1.7 percent (74th place) in 1980-1991 while life expectancy in 1991 was 71 (62nd place), the same as the South.

Securities Firm Predicts Increasing GDP

SK2001023193 Seoul YONHAP in English 0053 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—The gross domestic product (GDP) will grow 7.8 percent this year and the exchange rate for the U.S. dollar will rise to 835 won, Dongbang Peregrin Securities Co. predicted in a report Wednesday.

GDP grew 6.3 percent last year, but the incoming government's expansive financial policy and flexible monetary policy will hike it to 7.8 percent this year. Consumer prices will rise 6.2 percent, up from 6 percent last year, with stabilization of oil and farm product prices, but private spending and construction expenditure will increase. The current account deficit will reach 3.64 billion dollars, falling 1 billion dollars from 1992, and the exchange rate for the U.S. dollar will rise 834.80 won, up 5.9 percent from 788.40 won at the end of last year. Foreign currency reserves will rise to 16.74 billion dollars, up 1.1 billion dollars, and the foreign debt will reach 4.4 billion dollars, up 200 million dollars. Savings, investment and unemployment will hit 34.4 percent, 38.2 percent and 2.4 percent, respectively, the report said.

Economic Planners: Growth May Undermine Stability

SK2001035293 Seoul THE KOREA TIMES in English 20 Jan 93 p 9

[Text] With the government's economic policy showing signs of shifting from stability to growth, economic planners express concerns that the turnaround may undermine the stability that has been built up laboriously.

Although officials at the Economic Planning Board [EPB] deny that further pump-priming measures will be groomed except for a lowering of the rediscount rate, critics warn of a repetition of the policy failures of 1990.

In 1990, economic policy makers, in a major turnabout, took steps to stimulate the sagging economy while shelving radical economic reforms including the real name financial transaction system.

The result was soaring inflation, widening trade deficits and rampant real estate speculation with the fomenting of only domestic demand, not exports.

"The latest economic landscape appears similar to that of 1990, when the package of boosting measures were taken under pressure from political circles and major business concerns," an EPB official said.

The 1990 economic package came after GNP growth plunged to 6.8 percent the previous year, sharply down from the 12 percent in 1988.

Last year, economic growth is estimated to plummet to below five percent, the lowest since 1980.

EPB officials say they are concerned that the new administration, which will take office on Feb. 25, may opt to adopt the line of full-scale growth in compliance with business demands.

Their concerns are heightened more in that the incumbent economic team, which has emphasized stability over growth, will be replaced by new faces, possibly advocates of growth policies, in time with the inauguration of the new administration.

Paper Views Prospects for Clinton Administration

SK2101015993 Seoul THE KOREA HERALD in English 21 Jan 93 p 6

[Editorial: "Clinton's Inauguration"]

[Text] Not many Presidents of the United States, or presidents of any other country for that matter, assumed the helm of state during peace. But the inauguration of President Bill Clinton comes at a most unusual and crucial time when the forces under his command have been placed into combat overseas.

This strained world situation in which the United States is destined to be the chief player, overshadows the auspicious occasion of swearing in the leader of the American Union. Clinton did not fail to emphasize a domestic agenda this week as he had done during his campaign. Yet major foreign crises loom ahead to constrain the incipient presidency of the Democratic standard-bearer.

From George Bush, the new President inherits the challenge of searching for a way to respond to an unexpected overture from President Saddam Husayn of Iraq for an immediate cease-fire. The conflict in the Gulf puts the resourcefulness and decisiveness of this foreign policy novice to a severe test. He must prove equal to the occasion with a balanced handling of the trouble abroad and the pressing problems at home with no benefit of a grace period.

President Clinton laid down economic security for the United States as a primary goal of his foreign policy. Strengthened economic security has been presented as one of the three bases of his foreign policy which will also call for prudent reduction of defense spending and respect for democratic principles and institutions. He declared that the armed forces will be restructured to meet new and continuing threats, making America's resolve clear to potential aggressors.

No significant departures from the traditional U.S. foreign policy are foreseen. But the proposed cutback in military outlays and the added stress on economic security may increase the burdens of regional and global defense to be shared by its allies and friends and militate against the interests of its trading partners. The future evolution of the North American Free Trade Agreement and the imminent conclusion of the Uruguay Round negotiations should be so geared as not to encourage economic barriers and fortresses along national and regional borders.

Heavier weight given to democracy and open society should mean Washington's increased concerns for greater human rights in all "captive" nations of the world. Of them all, North Korea with its repulsive record on this score deserves special attention from the Democratic administration. Liberalization in this part of the world will be a key to diminishing the diplomatic and military burdens on Washington in the Pacific and Asian regions.

Expectations run high everywhere, as well as within the United States, for the refreshing and dynamic changes the youthful President could bring about to boost the U.S. economy and revitalize the American society, while fulfilling the role of the prime superpower and champion of liberty in securing peace, justice and prosperity for the international community.

Daewoo Group To Complete Merger

SK2001084793 Seoul YONHAP in English 0733 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—Daewoo Group, one of the nation's largest conglomerates, will complete the merger of Daewoo Heavy Industries Co. and Daewoo Shipbuilding & Heavy Machinery Co. by September 1994, a Trade and industry Ministry official said Wednesday.

The group reported to the tax authorities Dec. 31 last year that it would reassess the assets of the two firms, and an appraiser would undertake the task this month, he said. If the re-appraisal finishes by July, the two boards will meet in November to decide on their merger, he said.

Daewoo Heavy, listed on the Korea Stock Exchange, increased capital stocks without consideration using a surplus in December and will make a second increase without consideration using profits from the appraisal in January 1994.

The group will submit the merger ratio of the two subsidiaries to the Securities and Exchange Commission in April 1994, hold shareholders' meetings in June and make a merger registration in September. The government, however, has set a merger deadline of the end of 1994.

Korean, Thai Officials Fail To Reach Aviation Agreement

SK2101075493 Seoul YONHAP in English 0701 GMT 21 Jan 93

[Text] Bangkok, Jan. 21 (YONHAP)—Korean aviation officials have failed to get Thailand's consent to their bid to increase scheduled Korean flights to Bangkok and expand their beyond rights in a two-day meeting with their Thai counterparts.

Thai officials reacted cooly to the two Korean airlines' bid to have one more weekly passenger service each on their Seoul-Bangkok routes and beyond rights to fly on to Bombay or Delhi, Korean sources close to the meeting said Thursday.

The Thai side stuck to its position that an increase of passenger services was unavailable under the current situation, in which the flight quota given to Thai Airways International on its Bangkok- Seoul route is not fully met.

Foreign Ministry Names Human Rights Envoy

SK2101070393 Seoul YONHAP in English 0547 GMT 21 Jan 93

[Text] Seoul, Jan. 21 (YONHAP)—Former Ambassador to Yugoslavia Sin Tu-pyong was named Korea's first ambassador for human rights on Thursday.

Sin will represent Korea for a year at a series of international meetings of the U.N. Commission on Human Rights and of the World Conference on Human Rights.

A human rights ambassador was chosen because human rights are becoming more important in world diplomacy with the end of the cold war, Kum Chong-ho, director-general of the Foreign Ministry's International Organizations Bureau, said. Korea joined the International Covenants on Human Rights in April 1990 and is one of 53 members of the U.N. Commission on Human Rights for three years from this year.

Sin was born in Seoul in 1936, studied at the Graduate School of Harvard University, and served as councillor in the United States, minister to Indonesia and director-general of the American Affairs Bureau.

Government To Use Specialized Ambassadors-at-Large

SK2201034593 Seoul THE KOREA TIMES in English 22 Jan 93 p 2

[By staff reporter Chae Hui-muk]

[Text] The government plans to give able diplomats the job of being ambassador-at-large with special fields, different from ambassadors assigned to fixed foreign countries, to meet the increasing complexity of international relations.

Kwon In-hyok was first named ambassador for the environment in February, 1991, in preparation of growing concerns about the polluted environment. His first job was to prepare for the Rio summit on the world environment held in Brazil last June.

The Foreign Ministry drew up a guideline last December to provide a legal basis for appointment of ambassadors for special assignment as more envoys are expected to be needed in the future.

According to the guideline, ambassadors for the economy, security, culture and human rights are to be named and other functional ambassadors are to be appointed by the foreign minister when necessary.

Based on the guideline, the ministry appointed former consul-general in Seattle Ko Chang-su ambassador for international cultural cooperation on Jan. 4 and former ambassador to Yugoslavia Sin Tu-pyong as envoy on international human rights, starting Jan. 25.

A ministry official said that ambassadors on the international economy and trade, and security and military affairs will be named soon to cope with the rapidly changing world political and trade situation.

Kum Chong-ho, director-general for the ministry's international organizations bureau, said that Sin has been named as human rights ambassador to actively cope with world's human rights problems which have become an important part of world diplomacy.

Korea, which joined the international covenants on human rights in April, 1990, will participate in meetings of the U.N. Commission on Human Rights as a commissioner over the next three years, Kum said.

A world's human rights conference will be held in June this year under the auspices of the U.N. the second after the U.N. adopted a charter on world human rights in 1948.

Kum said, "Human rights have become more important as a result of the end of the Cold War era and the expansion of Democracy in the world."

Amb. Kwon also emphasized issues concerning environment deterioration in the process of industrialization, noting the Rio summit last June.

Follow-up conferences and gatherings are expected to be held frequently this year and in the years to come, he said.

The Commission on Sustainable Development (CSD) will be inaugurated next month as one of the follow-up U.N. bodies to the Rio summit, Kwon said, adding that his government will make efforts to run for the directorship of the new environment body to tackle the world environment issue.

A Northeast Asian conference on environment cooperation will be held Feb. 8-11 in Seoul with South and North Korea, Japan, China, Russia and Mongolia participating.

An international conference on deepsea fishing will also be held in July to discuss environment protection, he said. The controversial slaughter of rhinoceroses has been discussed also as it regarded as destruction of the environment.

International trade will be closely linked with environmental issues in the future, he explained.

Culture Ambassador Ko said that Korea needs to emphasize cultural affairs in foreign relations as it has built a formidable economy and political culture. Korea has also become a regular member of the U.N.

"Korea should improve its image of its products overseas by emphasizing its culture rather than pushing simply export drives for more exports," Ko said. Korea should play a role as representative at a variety of cultural gatherings and conference under UNESCO and other specialized bodies, he said.

"Our culture, language, literature and history should be more widely disseminated in foreign countries," he said, adding that Korean studies have been formally pursued in some 70 colleges, universities and research institutes in 30 countries. "We should pay more attention to overseas Korean studies," he said.

He cited the cultural activities of the United States Information Agency (USIA), British Council and Goethe Institute of Germany. "Advanced countries have long since emphasized cultural pervasion first prior to advancing to foreign countries," he said.

Aviation Talks With Vietnam To Open 27 Jan

SK2001081293 Seoul YONHAP in English 0724 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—Four-day aviation talks between South Korea and Vietnam open Jan. 27 in Hanoi to initial an air service agreement, the Foreign Ministry announced Wednesday.

Hong Chong-pyo, director-general of international trade at the ministry, and Dao Manh Nhuong, deputy director-general of Vietnam's civil aviation administration, will ink the Korea-Vietnam aviation agreement and discuss bilateral flight conditions.

Korean charter planes have flown between Seoul and Ho Chi-Minh City since January last year, carrying some 12,000 passengers, and Vietnam has applied for 10 charter flights between Ho Chi Minh City and Seoul from January to March this year, the ministry said. Seoul and Hanoi normalized diplomatic ties on Dec. 22, 1992.

Last year, 10,106 Koreans visited Vietnam and 878 Vietnamese travelled to Korea, the officials said, adding that exchanges would grow at least 50 percent to 16,900 people this year.

Government Explores Aid for Koreans in Tajikistan

SK2001130493 Seoul YONHAP in English 1115 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—The Foreign Ministry Wednesday explored ways to better assist those Russians of Korean ancestry who suffered from the recent civil war in the Tajikistan Republic of Central Asia.

Ministry officials decided at a meeting to earmark more emergency relief funds, consult with the Korean National Red Cross to work out effective relief programs and ask international relief organizations for assistance to Tajik victims. In addition, the Foreign Ministry decided to open the projected resident embassy in the Uzbek Republic in the vicinity of the Tajikistan Republic in the first half of this year ahead of schedule so that it could look after Tajik people of Korean ancestry.

Meanwhile, the Foreign Ministry instructed the Korean Embassy in Moscow to see to it that Korean residents' interests be reflected fully on a bill set to be reviewed by the Russian Supreme Assembly shortly on the restoration of the honor of Koryo (Korean) people in Russia.

The ministry is of the opinion that the proposed bill should at least contain clauses on Russia's apology over the forcible resettlement of Koreans during the Stalin era as well as on the restoration of their honor.

The bill, the ministry believes, should also entitle Korean residents in the former Soviet Union to obtain Russian citizenship, provide for reparation to the victims of forced resettlement, and allow them to return to the places of their original settlement if they so wish.

Democratic Party Urges National Security Law Revision

SK2101013193 Seoul THE KOREA TIMES in English 21 Jan 93 p 2

[Text] The opposition Democratic Party [DP] yesterday called on the Supreme Court to defer the passing of a sentence on Rep. Yi Pu-yong till after the revision of what it called "undemocratic" laws, in particular the National Security Law.

In a meeting of party supreme council members, the DP dubbed the incipient action a politically motivated attempt to convict Yi through the "anachronistic" undemocratic laws. Rep. Yi was indicted for violation of the "undemocratic" laws.

The party members vowed to pull out all stops should Yi be convicted, and thus stripped of his lawmakers seat, saying they regard such move as "oppression" of democratic forces including the DP as well as of Rep. Yi.

They said the National Security Law faces revision in the National Assembly and President-elect Kim Yong-sam himself has recognized the need for amendment.

They also called for the release of "conscientious" prisoners held for political reasons immediately.

The party issued a white paper on attempts by the Democratic Liberal Party [DLP] and former military governments to paint Kim Tae-chung and other opposition candidates ideologically pink during the election.

In the paper, the party called for a sincere apology by the DLP and President-elect Kim Yong-sam for labelling DP presidential candidate Kim a communist sympathizer during the just-ended presidential election campaign.

The paper alleged past ruling parties had left no stone unturned to undermine the opposition candidates by billing them pro-communist figures.

In the process, the paper asserted, former DP leader Kim has been the main victim.

For instance, former President Pak Chong-hui tried to hurt his then opposition rival Kim by taking issue with Kim's reform-oriented campaign promises such as abolishing the system of homeland reserve forces during the presidential campaign in 1971, it went on.

The paper added, "The Pak government, however, couldn't find any ideological fault with Kim despite intensive checks by the then commander of the Defense Security Command, Kang Chang-song."

Former President Chon Tu-hwan also sentenced Kim to death on charges of instigating the 1980 popular uprising in Kwangju, but to no avail.

The party asserted that the DLP's presidential campaign headquarters had prepared a systematic campaign to undermine the DP's Kim by billing him a communist sympathizer and exploiting regionalism.

Office Seeks Better Government-Opposition Ties

SK2001095593 Seoul YONHAP in English 0922 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—The Office of the First Minister of State plans to create closer cooperative relations between the government and opposition parties in line with the government policy to promote grand national harmony.

In a written report to President No Tae-u Wednesday on his office's major new year policy programs, First Minister of State Kim Tong-ik said his office will promote active dialogue with opposition people to help foster an atmosphere for national harmony. In this plan, Kim said, his office would have dialogue with opposition parties let alone with the ruling party when there pop up controversial issues.

Moreover, the minister said his office will operate the existing ruling party-administration cooperative system more effectively in order to back up the presidential leadership.

The office of the first state minister will also maintain close consultative relations with other government offices to see to it that government offices won't cause unnecessary political disputes to occur, minister Kim said.

In another program, Kim said his office will more extensively pool the views of opinion leaders such as scholars and other experts with respect to sensitive government policies so as to contribute to political stability.

Information Ministry Announces Cable Television Plans

SK2001080593 Seoul YONHAP in English 0639 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—The Information Ministry plans to assign channels for cable television by June and launch satellite broadcasting in 1995, it said Wednesday in a written report to President No Tae-u.

The ministry was forming districts, assigning channels and fixing the ratio of foreign programming in preparation to approve cable television in the first half of the year, the report said. It would tackle reception problems in remote areas and densely populated districts by 1997, and build more community television antennae, the report said. The ministry's inter-Korean open broadcasting committee, inaugurated in September last year, will promote exchanges of radio and television programs between the two Koreas and joint production of programs.

It will finish the six-volume "The Chronicles of the Sixth Republic" this month and start distribution to state-run organizations, research and educational institutes, university libraries, press companies and social organizations.

Civil Court Orders Pak Chan-chong To Repay $1.64 Million

SK2001085493 Seoul YONHAP in English 0745 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—The Seoul District Civil Court ruled Wednesday that Rep. Pak Chan-chong, head of the New Political Reform Party, must repay 1.3 billion won (1.64 million U.S. Dollars) to Yim Chun-won, a private secretary to a former secretary-general of the party.

Pak wrote out an IOU for 1.3 billion won when he borrowed it from Kim on March 27 last year, promising to repay it by July 31. But he failed to pay back the money so that Kim brought a civil action against him in September.

Pak earlier claimed that the money was a donation to the party so he did not need to repay it.

Reportage on Kim Yong-sam Transition Planning

Reportedly To Grant General Amnesty

SK2501092293 Seoul YONHAP in English 0855 GMT 25 Jan 93

[Text] Seoul, Jan. 25 (YONHAP)—President-elect Kim Yong-sam has decided to grant a general amnesty to prisoners and his transition team is to discuss related problems with the Justice Ministry, party sources said Monday.

"Kim will carry out a general amnesty—not a special amnesty as had been reported earlier—in order to make the amnesty much broader and reflect the character of his administration as the first civilian government in 32 years," a source at the ruling Democratic Liberal Party [DLP] said.

A special amnesty applies only to selected prisoners with fixed sentences, whereas under a general amnesty, all prisoners are the subject of outright release or beneficiaries of reduced sentences once the government decides on specific provisions of the law under which they were convicted.

A general amnesty also covers those on trial and those who are currently wanted by the authorities under specific provisions of the law, according to the source.

The Justice Ministry is said to oppose a general amnesty, however, because it tends to give the public the impression that law and order can be taken lightly.

But Kim's intention to grant a broad amnesty on the occasion of his inauguration is firm, according to DLP sources. An estimated 10,000 people are expected be affected by a general amnesty, which requires the National Assembly's approval.

Seen Reorganizing Defense Security Command

SK2101030393 Seoul YONHAP in English 0021 GMT 21 Jan 93

[Text] Seoul, Jan. 21 (YONHAP)—President-elect Kim Yong-sam is considering reorganizing the Defense Security Command in order to ensure the political neutrality of the military, one of the aides to the president-elect said Thursday.

"It is president-elect Kim's firm idea to make a systematic change for the defense security command to end its controversial surveillance function against civilians," the aide said, requesting anonymity.

Following Kim's idea, he said, the transition team, headed by Chong Won-sik, is currently working on reorganization plans for the Defense Security Command. The Kim administration would carry out the reorganization after obtaining Kim's final approval, he said.

Under the new system, the Defense Security Command's activities will be limited to collecting information on North Korea, military intelligence, and military security while barring it from gathering information on ordinary citizens, he said.

The transition team is also studying the possibility of appointing a two-star general as the head of the command, instead of the current practice of posting a three-star general, sources at the team said. They said the team plans to rearrange the command's system so that it will report to the defense minister rather than directly to the president as in the past.

To Select Prime Minister Before Inauguration

SK2501034493 Seoul YONHAP in English 0046 GMT 25 Jan 93

[Text] Seoul, Jan. 25 (YONHAP)—President-elect Kim Yong-sam will select his prime minister and director of the Agency for National Security Planning shortly before his inauguration on Feb. 25, his aides said Monday.

Kim had originally hoped to finish selecting top members of his administration by Feb. 10, but decided to give himself more time so that he could start choosing officials after working out his blueprint for changes, the aides said.

"President-elect Kim wants to give top priority to setting the direction for his reforms," one of the aides said. "Only then will there be the selection of officials who will carry them out."

Following the spirit of the Constitution, Kim plans to obtain National Assembly approval of his nominee for prime minister before consulting with him on selecting members of his cabinet, the aide said, requesting anonymity.

As a result, the cabinet will not be formed before the National Assembly's approval of his prime minister, which could come in the afternoon of Feb. 25 or the next day, he said.

In the case of Chongwadae [presidential offices] officials, the chief of the presidential secretariat could be selected ahead of the prime minister, he said.

To reflect the character of his administration, which will be the first civilian government in 32 years, Kim would not choose officials who had served in previous administrations or who had a military background, the aide said.

There is a strong possibility, therefore, Kim could name non-military men for director of National Security Planning and chief of the presidential security service, he said. For prime minister, Kim is considering an official who is well versed in administrative work rather than a symbolic figure who could represent national reconciliation and solidarity.

To Cut Noncareer Diplomats

SK2201042693 Seoul YONHAP in English 0230 GMT 22 Jan 93

[Text] Seoul, Jan. 22 (YONHAP)—President-elect Kim Yong-sam will refrain from appointing non-career diplomats as ambassadors and limit such appointees to a single term, aides said Friday. There had been number of military officials who entered the diplomatic service, although the field requires expertise, said one source.

"Morale was undermined when outsiders were selected for key diplomatic posts such as ambassadors to the United States, Japan and the United Nations," he said. "There has to be a systematic measure to rectify the situation."

An internal Foreign Ministry regulation, introduced in 1988, restricts non-career diplomats to single overseas postings of within three years, but the regulation has often been overridden, an aide said. An official on Kim's transition team noted that more than 80 outsiders have been named to overseas missions so far since 1980.

"We need to limit their overseas services to just one term in order to firmly root down career diplomacy," the official said.

Team Opposes Opening Rice Market

SK2001045993 Seoul YONHAP in English 0310 GMT 20 Jan 93

[Text] Seoul, Jan. 20 (YONHAP)—President-elect Kim Yong- sam's transition team recommended Wednesday the new administration deal strongly against any attempt to force South Korea to open its market for imported rice.

The Kim Yong-sam administration, which will come into being Feb. 25, should maintain the current government position to exclude rice and other staple food as the subjects of liberalization at the Uruguay round of global trade negotiations, said the transition team headed by Former Prime Minister Chong Won-sik.

In order to revitalize the nation's manufacturing industry, the team suggested that Kim Yong-sam form a small industry promotion council in Chongwadae [presidential offices] and ease government regulations on the construction of factories by small companies.

These were contained in the second report submitted by the transition team which had been briefed by the outgoing administration on pending government businesses and preparing for Kim Yong-sam to take over the administrative works smoothly immediately following his inauguration on Feb. 25.

The team submitted its first report, mainly on political and administrative issues, on Tuesday. Wednesday's report concentrated in economic, transportation, educational, cultural and social fields.

The transition team thus completed its task of receiving briefings from all 33 ministries and governmental agencies. The team moved on to work out measures on some of the pressing issues that Kim Yong-sam asked it to tackle before Feb. 13.

In its second report, the team urged Kim Yong-sam to select a company or a group of companies for the second mobile phone project as soon as possible in order to beef up international competitive strength of Korean companies in communication business.

The team recommended that Kim Yong-sam upgrade the environment ministry to the level of a full-fledged ministry headed by a cabinet minister. It also suggested to draft a bill to mediate medical disputes in view of an increasing number of medical accidents of late.

Receiving the report, Kim Yong-sam urged all government officials to remain calm and continue their work during the period of governmental transition. He also asked them to try and help wind up president No Tae-u's administration.

Kim Yong-sam stressed the continuity of the government saying there should not be any governmental work that has to be handled hastily or postponed because of the change in presidency. All works should be studied and carried out for the benefit of the people in mind and nothing else, he said.

The team asked the new government to increase investment in education from the current 3.7 percent of the gross national product to 5 percent by 1998 to help, among other things, eliminate juvenile delinquency.

It recommended that the government conduct surveys of the greenbelt area to readjust the nature conservation zones according to the changing national environment.

Team Outlines Inauguration Plans

SK2501002393 Seoul THE KOREA HERALD in English 25 Jan 93 p 2

[Text] President-elect Kim Yong-sam will convene the National Assembly on the afternoon of his inauguration day, Feb. 25, to obtain approval for the appointment of his prime minister, Kim's transition team said yesterday.

According to plans worked out by the transition team, led by Chong Won-wik, Kim will name his cabinet and hold his first cabinet meeting the next day, Feb. 26, to pass the presidential order for amnesty and restoration of civil rights for a large number of prisoners.

The team decided on the tentative schedule based on a report on the inauguration plan submitted by Chong Mun-hwa, vice government administration minister.

The inauguration plan calls for Kim to visit the National Cemetery before going to Chongwadae [presidential offices] to exchange greetings with outgoing President No Tae-u.

Following the inauguration ceremony, which will be held in front of the National Assembly, Kim will host a luncheon and other events at the Seoul Sejong Cultural Center and at Chongwadae.

The government plans to invite representatives from all strata of society to the inauguration ceremony to emphasize national unity and harmony, Chong said.

A total of 30,000 people are expected to be invited to the ceremony, including 200 "exemplary citizens," 200 special guests, 1,500 youth representatives, 1,280 members of patriotic organizations, 2,500 citizen representatives, and members of city, county and district councils.

For the outgoing president, the government will host a farewell gathering at the Seoul Sejong Cultural Center Feb. 23. No is scheduled to visit the National Cemetery Feb. 24 Chong said.

Burma

Students' Democratic Front Issues Appeal

BK2101040793 Bangkok THE NATION in English 21 Jan 93 p A6

["ABSDF [All Burma Students Democratic Front] appeal"; from the letters to the editor column]

[Text] **Dear Burmese people**

The political situation in Burma is at an important crossroads today. It is a time to decide whether we are willing to continue our selfless struggle for democracy and thereby stand tall as proud citizens in the eyes of the world or whether we want to stand by with folded arms and watch the State Law and Order Restoration on Council (Slorc) prolong the military enslavement of the country through its sham national convention.

This so-called national convention is the last desperate attempt by the Slorc to escape from the political, military and economic hardships plaguing it from all sides. It is meant to be quick cure-all remedy for the chronically Slorc. While keeping the people unjustly oppressed under the threats of arms and international community confused through superficial changes, the Slorc has summoned some people that go under the name of people's representatives but who are actually yes-man willing to do its bidding. This is a frenzied attempt by Slorc to gain acceptance and recognition for its crimes. But the Slorc which usually underestimate the power of the people, does not seem to realize the fact that some of the convention delegates might include those who really believe in democratic practices and are willing to reflect the democratic aspiration of the people.

Being shunned by the international community and gradually becoming isolated, the illegitimate military clique is now openly making threats and demands that the new state constitution provide for the right of the military to intervene in the administrative, judicial, legislative, and all major affairs of the nation. This is an attempt to continue ruling the country under a military dictatorship by abusing the legislative powers bestowed with trust by the people to their representatives.

At the last United Nations General Assembly, the world community strongly denounced the Slorc for violating human rights and banning democratic rights. It called for the release of Daw Aung San Suu Kyi and all political prisoners, for the transfer of power to the democratically elected people's representatives, and for a halt to all violations against the rights of the ethnic minorities. The very fact that the General Assembly had refused to offer any recognition to the so-called national convention of the Slorc and had only demanded for the quick transfer of power to the people, showed that the people throughout the world unwaveringly support the democratic cause of the Burmese.

Dear People's Assembly Representatives:

The people have entrusted you, the people's Assembly representatives, with power through the 1990 general elections. You have in your hands the power to shape the destiny of the entire nation. Despite the oppression, torture and the massacres, the people have brilliantly done their historic duty. They have showed courage in expressing their opposition to the military clique. For this reason it has become vital for the people's Assembly representatives to prove themselves truly worthy of people's trust. They must do this by following the will of the people and opposing the blatant attempt of the military clique to wrest people's power.

Dear Convention Delegates:

You should not act in any way to give recognition to the Slorc which has ignored the anguished cries and suffering of the people and has committed unjust crimes against them. You should not prop up the teetering and foundering infrastructure which is about to be toppled through the might of the people.

Dear Brothers, Compatriots and Fellow "Fighting Peacocks":

We profoundly salute you all for continuing your brave and glorious struggle without giving in to or kowtowing before the unjust and oppressive law imposed by the military dictators. The very fact that the Slorc has to abruptly suspend the political play it had been staging shows the extent of success that you have achieved. It also exposes the fact that despite the facade it has put up to portray itself as strong and solid, the Slorc military clique is terrified of the people's wrath and uprising.

Dear Soldiers who are exemplary in conduct and wish to uphold the prestige of the Defense Services:

Because of the self-centred and self-interested actions by a handful of power-mad military leaders, the Defense Services have lost its prestige to such an extent that soldiers can no longer show their face among the people. If you, Soldiers, no longer wish to sacrifice your lives for the comfortable lives of the Slorc leaders and their close relatives, the time ripe right now. It is also your last chance—your last opportunity—to free yourselves from the yoke of the military dictators and stand on the side of the people in the same way as you have expressed your wish in unanimity with the people during the 1990 general elections.

To our fellow kinsmen who share the same oppressed life under the military dictatorship:

The military clique is now in the last phase of its political life. Do not let the sham national convention become a loophole for the clique to escape out of the situation. The Slorc is most merciless and cruel and is the worst reactionary regime in the world. It is already in its last throes and about to fade away soon. The end is coming soon for the military dictators.

The call of the masses for the struggle are being heard louder and louder.

The victory drums resound loudly.

Oppose the reactionary and sham national convention through various means.

Grasp the final victory through mass struggle.

The struggle for democracy will succeed!

[Signed] **Central Committee**

All Burma, Students' Democratic Front

Mae Sot

14 Arrested For Distributing Leaflets

BK2201123493 Rangoon Radio Burma in Burmese 1200 GMT 22 Jan 93

[From the "News in Brief" program]

[Text] The authorities have been investigating and exposing those persons who published and distributed propaganda leaflets aimed at obstructing the National Convention and undermining peace and tranquility in the country.

The authorities have arrested 14 unscrupulous persons along with documents this month in connection with the publication and distribution of a leaflet entitled: Notice of Alert from the Democratic Cause Front to Democratic Monks, Students, Parents and People. Among those arrested were Shwe Htoo, alias Aung Zeya, 49, son of U Ba Shwe of Nanshe Ahneiktaw Ward, Mandalay Northwest Township; Moe Kyaw U, 28, son of U Win Lwin of Phondawtu Ward; and Yee Yee Myint, 24, daughter of U Kyaw Aye of Zun Street, Wundan Ward, Anauk Myothit, Mandalay Southeast Township.

It has been learned that the authorities are continuing to take legal action.

More on Arrests

BK2301092193 Rangoon Radio Burma in Burmese 1330 GMT 22 Jan 93

[Excerpts] The authorities have been investigating and exposing those persons who published and distributed propaganda leaflets aimed at obstructing the National Convention and undermining peace and tranquility in the country. [passage omitted]

Shwe Htoo, who played a major role in publishing and distributing the propaganda leafets, once worked as a high school teacher in No. 1 Basic Education High School in Kyaukme, Basic Education High School in Myitnge, and No. 1 Basic Education High School in Mandalay. He resigned from the service in 1987 when he was assigned to serve as a headmaster in Holi village, Kunlong township. He carried out instigations among students and youths during the [1988] events and later fled to Moirang in the country on the other side [India] along with 16 youths.

He served as an executive committee member when the Burma Democratic Guerrilla Front [BDGF] was founded along with Dr. Aung Kyaw U; Kaw San Mawriye, a writer; and Sein Nyein Aye, a painter. After the four executive members were purged, he returned illegally to Burma during the third week of June 1989. He evaded authorities by living in Phayagyi Monastery and Saku Monastery in east Mandalay and organized and instigated the youths to write dissident literature.

It has been learned that he used Moe Kyaw U, whom he met during the [1988] events, and Yee Yee Myint, whom he met during his stay in Phayagyi Monastery, as his main support in writing and distributing leaflets opposing the National Convention.

Yee Yee Myint rewrote the draft of the leaflets written by Shwe Htoo. Yee Yee Myint participated in the disturbances of 8 August 1990 in Mandalay and was slightly wounded in the head and was taken by security forces to the Mandalay People's Hospital. She did not disclose her real name at the hospital and fraudulently declared her name as Tin Mar Yee. In the evening of 8 August, she was removed from the hospital without authorization by Cho Gyi and U Withuda. Yee Yee Myint was kept hidden in Aung Mingala Aye Monastery where U Yewada, the chairman of the so-called the Lepyin Leyat Sangha Samaghi [Monks Union], resides. The Ba-Ka-Tha [All Burma Federation of Students Union], Upper Burma branch, and the Lepyin Leyat Sangha Samaghi wrote and distributed untrue propaganda literature claiming Yee Yee Myint, a math major at the Mandalay University, had been shot and killed by the security forces. These propaganda leaflets were sent to diplomatic missions. It was learned that during the disturbances in Mandalay at that time a rumor was circulated saying that a student, Yee Yee Myint, was killed during the disturbances.

Groups affiliated with Shwe Htoo, who had instigated and organized the innocent youths through various means to destroy the peace and tranquility in the country, and Yee Yee Myint, who has been spreading fabricated and untrue propaganda among the general public to create confusion, have now formed the so-called the Democratic Cause Front. They are now again engaged in making fabrications and spreading propapaganda.

Their organization mailed propaganda leaflets to universities, colleges, and schools in major cities, including Yangon [Rangoon] and Mandalay, factories, and offices, and distributed leaflets in busy places.

It has been learned from the authorities that at a time when the government is making every effort in a systematic manner to successfully convene the National Convention, which has the participation of representatives of all the national races and various strata of society with the goal of obtaining a firm state constitution and establishing a new democratic state in the future, organizations that are disrupting peace and tranquillity in the state will continue to be exposed and effective action will be taken against them.

Brunei, Malaysia & Singapore

Malaysia

Minister: ASEAN Members Must Support EAEC

BK1901073093 Kuala Lumpur Voice of Malaysia in English 0600 GMT 19 Jan 93

[Text] ASEAN member countries must come out in one voice and support the Malaysian-proposed East Asian Economic Caucus, EAEC, before the proposal can garner similar support from other countries in the region. International Trade and Industry Minister Datuk Sri Rafidah Aziz said ASEAN, as a regional grouping cannot afford to have a discord among itself. The EAEC, which will only exist as a consultative group, is to ptotect the interest of the region against protectionist penalty of the Western world.

She was speaking at the dialogue organized by the Institute of Strategic and International Studies, ISIS, in Malaysia. Datuk Sri Rafidah added that the proposed EAEC could also provide the platform for multilateral interaction. It could also generate the kind of growth within the region which is (?comparable) with others in the developed countries and build upon commonality and experiences to benefit each other.

ASEAN Urged To Strengthen Regional Ties

BK2301100093 Kuala Lumpur Voice of Malaysia in English 0800 GMT 23 Jan 93

[Text] ASEAN leaders should be prepared to work for stronger regional economic ties to face the challenges arising in the formation of economic groupings. Finance Minister Datuk Sri Anwar Ibrahim, in making the call, said ASEAN countries should have the confidence in the potential of regional economic cooperation. He pointed out in facing the challenges of the 90's, Malaysia could no longer depend on political stability alone to ensure economic growth. He was addressing students and staff of the economics faculty of the University of Indonesia in Jakarta.

Datuk Sri Anwar is leading a delegation of 27 businessmen and intellectuals on a three-day visit to Jakarta to brief on the economic and financial policies of the Malaysian Government. He added that East Asia had the potential of becoming an economic power in the future. However, this (?would) not necessarily materialize if countries in the region did not take steps to ensure continued economic growth.

Premier Calls for Taxing Ships in Malacca Strait

BK2301140593 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 23 Jan 93

[Text] Prime Minister Datuk Sri Dr. Mahathir said a system of payment has to be introduced for ships using the Straits of Malacca. He said there was an increase in the number of dead weight tonnage of vessels using the waterway and which transported oil and waste.

He was answering questions by newsmen at the Chinese New Year open house of Science, Technology, and Environment Minister Datuk Law Hieng Ding in Kuala Lumpur. He said it had been declared a long time ago that the Straits of Malacca was an international waterway, good for only that time. Moreover, ships of 200 to 300 tons used it then and their number was small. They also did not carry oil or waste. Now the size of the vessels has grown to a half million tons and they carry oil and waste, which can cause serious pollution.

The prime minister also said the Straits of Malacca can no longer be regarded as an international waterway. Any accident or fire in the straits would have detrimental effects on the littoral states. Datuk Sri Dr. Mahathir said this when asked to comment on the collision of the supertanker Maersk Navigator and the tanker Sanko Honour in the Andaman Sea near (Ronto) island, about 50 nautical miles north of Banda Aceh in Sumatera early Thursday. Both ships caught fire after the accident.

The prime minister said a system of maintenance by countries whose vessels use the straits or a levy has to be introduced because each time there is an accident in the straits, the government has to shoulder the burden. He also called for a review of the system whereby a ship was registered under one company and also in a third country because this was a way the company or country avoided having to pay for damage in an accident. Datuk Sri Dr. Mahathir also said it was necessary for a traffic separation scheme to be implemented in the straits and the countries whose vessels use the waterway should pay for the maintenance of all equipment.

Meanwhile, Datuk Law Hieng Ding said it was necessary to set up a coordinating body among the littoral states to overcome oil pollution in the straits. On the Maersk Navigator, he said latest reports showed that the supertanker was drifting northwest far from Malaysian waters. Nevertheless, the Department of Environment has been directed to monitor the vessel because it is burning.

PNG Premier Arrives for Unofficial Visit

BK2101085493 Kuala Lumpur Voice of Malaysia in English 0600 GMT 21 Jan 93

[Text] The prime minister of Papua New Guinea, Mr. Paias Wingti, has arrived in Kuala Lumpur for a three-day unofficial visit. He is heading a nine-member delegation. During his stay he will hold talks with senior government officials.

The Papua New Guinea Government is reported to be looking towards Malaysia and other ASEAN countries to help develop its rubber, palm oil, and fortestry industry. Mr. Wingti yesterday attended a luncheon hosted by Primary Industries Minister Datuk Sri Dr. Lim Keng Yaik. He will later call on Prime Minister Datuk Sri Dr. Mahathir Mohamed.

Mr. Wingti is scheduled to attend a briefing at the Economic Planning Unit at the Prime Minister's Department tomorrow.

Singapore

Editorial on Clinton's Foreign, Trade Policies

BK2201143993 Singapore THE STRAITS TIMES in English 22 Jan 93 p 18

[Editorial: "Looking Past Clintonism"]

[Text] Hope has been a mantra in Mr. Bill Clinton's philosophic arsenal. He sought, on a hope and a prayer and much chutzpah, his country's biggest electoral prize. The president he dared to unseat had looked unstoppable after a master stroke in the Gulf crisis that would be recorded as a benchmark in international diplomacy. Yesterday, this governor of an unfashionable state from way outside the power mainstream awoke as the 42nd President of the United States, having been duly installed the day before in what was a "joyful mountaintop of celebration..." The other half of this verbal flourish that topped off his Inaugural had the words "we hear a call to service in the valley". Here in Asia, away from the party sounds of the joyous jamboree in Washington, countries whose future course can be influenced in some form or another by one man's thinking and perceptions, feel somewhat differently. While the American people heard, now that they had "forced the spring", a command to "do the work the season demands...", Asian governments are inclined to look past enunciations of Clintonite principles and values to assess how they may best adjust and adapt to a new unknown.

This is vexing, as the Clintonites' demonstrated vagueness in foreign relations, including trade policy, has produced one big, black void in understanding. Although the Inaugural was no agenda for action but a recounting, in appropriately uplifting language, of national priorities (renewal of the spirit, stimulating the economy, health care and political reform), reference to globalism was sparse and too general in scope as to suggest that America's allies, in Asia certainly, are in for some uncertain times. As much, then, as the generational changeover—from a war-tempered Bush to the Clinton maturation of 60s idealism and smugness—opens a new season of hope for Americans, Asia has its own set of hopes. Hope No. 1 is that Mr. Clinton disabuses everybody of the notion that he is flakey, and given too readily to bending to populism. His flip-flop on tax policy even before assuming office had been unnerving. Early intimations of weak will? During the campaign, an inclination to say different things to please different audiences when a position was supposed to be immutable will now be scrutinised by all nations for clues to his moral resolve and intellectual integrity. Mr. Clinton looks and sounds trustworthy; now he has to earn trust.

Hope No. 2 centres on his oft-criticised propensity to duck foreign issues as being troublesome and distracting to his stated mission of putting America right first. This may be harsh, certainly a premature judgment. But how quickly he exercises world leadership in these far from comforting times will shape post-Cold War permutations. The double-speak on relations with Iraq in a NEW YORK TIMES interview—he said he could do business with President Saddam Husayn if he changed his behaviour, then denied it when alarmed governments sought clarification—has been a stunning revelation. And not a pleasant one. He has hinted he would be compassionate towards Israel in the talks with the Arabs on territorial compromise where President George Bush had been firm. This is not pleasant either—for the lack of care and depth it shows in handling a complex issue.

Hope No. 3 is that he does not make a hash of the China policy. Ex-China envoy Winston Lord has been named to co-ordinate Asian policy. He is said to be hawkish about applying pressure on the Chinese to extract compliance with democratic ideals, such as more humane treatment of political dissidents. This gives too much credit to one man, as Washington works in ways rather less simplistic than this. What troubles countries in this region is that with such appointees, it gets harder to divine how the Clinton Administration would reconcile idealism with the cold facts of geopolitical and economic change. China could be Mr. Clinton's first foreign policy headache rather than the Iraqi conundrum.

Republic Signs Chemical Arms Ban

BK1501130493 Singapore Singapore Broadcasting Corporation in English 1100 GMT 15 Jan 93

[Text] Singapore is now a party to the international agreement which seeks to ban chemical weapons. The republic joins more than 120 countries in signing the convention on the prohibition of chemical weapons in Paris yesterday.

A Foreign Ministry statement says Singapore believes the agreement will contribute to regional and world's future.

The convention bans the making, use, and stockpiling of chemical weapons. It says countries must destroy their stockpiles within 10 years, and their defense (?tools for) chemical facilities can be inspected by a United Nations agency.

Cambodia

Sihanouk on Meeting Thai Foreign Minister

BK2101092793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 21 Jan 93

["Report to the Cambodian people" issued in Beijing by Prince Norodom Sihanouk on 18 January—read by announcer]

[Text] Dear compatriots: I am honored to inform all compatriots, children, and grandchildren the following:

I. On 18 January 1993, I met and had political talks with His Excellency [H.E.] Mr. Prasong Sunsiri, Thai foreign minister, and his delegation. That is, from 1000 in the morning to 1430 in the afternoon, we had an important discussion and exchanged views in an atmosphere of great friendship.

The Thai delegation asked me what should be done in order to break the current political impasse in Cambodia.

II. Now I would like to make a brief report on the matters I informed H.E. Mr. Prasong Sunsiri and his delegation about.

A. At present, I have found no way of influencing the Democratic Kampuchea-Khmer Rouge to soften their tough stance marked by the following demands:

The withdrawal of male and female Vietnamese nationals from Cambodia and handing over to the Supreme National Council [SNC] all power which currently resides with the State of Cambodia [SOC] Government.

UNTAC [United Nations Transitional Authority in Cambodia], which has the power and right to make decisions as needed in Cambodia, has clearly explained earlier that these two demands of the Party of Democratic Kampuchea [PDK] cannot be granted.

B. In my humble opinion, the problem of Vietnamese, male and female, still present in Cambodia can only be resolved through negotiations with the SRV Government.

The head of state and the government that emerges from the elections in April or May 1993 will seek to settle this problem through negotiations with the SRV Government as the British authorities did over repatriating male and female Vietnamese boat people in Hong Kong.

C. The problem of the SNC cannot be resolved as long as the UNTAC—one party—and the government of H.E. Hun Sen—another party—refuse to fulfill the demand of the PDK.

D. The Cambodian People's Party [CPP] led by H.E. Chea Sim and the SOC Government led by H.E. Hun Sen demand that the presidential election be held not later than Monday, 5 April 1993. This is in order to give me, if the people elect me as the Cambodian head of state, sufficient time to help reestablish peace and security in Cambodia and present the best possible conditions for legislative elections and forming a new government from the elections.

E. For my part, I have added that if the beloved and respected Cambodian people elect me as president, head of state of Cambodia, I will do everything possible to resolve various major problems facing our country.

The SOC and CPP have rejected the idea of a quadripartite provisional government. Due to this irreversible rejection, I think that an elected head of state with commensurate decisionmaking powers can help Cambodia avert major accidents. That will be enough to attain an honorable compromise between the warring factions and to facilitate legislative elections, and eventually the formation of a government of national reconciliation and unity.

The Khmer Rouge problem is the most difficult one. My opinion regarding this problem is as follows:

I. I oppose all sanctions currently imposed on the PDK by the UN Security Council because they are unrealistic and ineffective. They only serve to harden the Khmer Rouge's stance and set them further apart from UNTAC, SOC, and the peace process.

II. After the people eventually elect me to the post of Cambodian president, I will hold negotiations with the PDK and SOC to avoid clashes between these two parties and to bring the PDK back to our national society. There are Khmer and intra-Khmer problems which Sihanouk, if elected, can solve to a certain extent. But UNTAC, as a non-Cambodian entity, will not be able to solve them even partially.

In conclusion, if the Cambodian people elect me president of Cambodia, I will invite the heads of all political parties, with a minimum of 5,000 formal members, to meet regularly with me to help achieve a better understanding and genuine rapprochement between them, as well as to help promote participation in seeking solutions to our various national problems and overcome the difficulties in our nation's democratization, unification, and stabilization with peace and sovereignty.

Please, my beloved compatriots, children, and grandchildren, accept my warmest feelings of affection and Buddha's blessings.

[Dated] Beijing, the PRC, 18 January 1993
[Signed] Norodom Sihanouk

Hun Sen Rejects Internal Coalition Rumors

BK2201150393 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 22 Jan 93

[Text] After returning from Beijing, His Excellency [H.E.] Hun Sen, chairman of the State of Cambodia's Council of Ministers and member of Cambodia's Supreme National Council [SNC], said at Pochentong International Airport on the evening of 20 January that holding the presidential election first and our knowledge that the president will be His Royal Highness Prince Norodom Sihanouk will surely make a most important contribution to the legislative election.

H.E. Hun Sen said that one should not underestimate the situation, which might turn complex at the final stage of the transitional period. Therefore, having a president before the legislative election will give us a guarantee of national reconciliation and stability for the legislative election.

Concerning the decision to move the presidential election ahead by four weeks, he stressed that this was a compromise between the time proposed by UNTAC [UN Transitional Authority in Cambodia] and the time needed for the president to take over at this late stage. UNTAC said it would be difficult to hold the election earlier or faster than this.

H.E. Hun Sen also pointed out that if this election were to be held at a time too close to that of the legislative election it would mean that the president or head of state would not be ready or sufficiently prepared to take control of the situation at this stage.

Concerning the rumors about proposals to form a provisional internal coalition government in Cambodia before the Constituent Assembly election, H.E. Hun Sen said: One and a half hours earlier I met with Thai Foreign Minister Prasong Sunsiri at the airport in Bangkok. Prasong clearly informed me that Thailand and ASEAN have never proposed that nor have they ever given any thought to it. I am trying to see where this news about the creation of a provisional coalition government before the presidential election has come from, for I and the Thai foreign minister have already agreed between us that we have no such problem. Nevertheless, I would like to clearly stress that so far we must not think about anything that is completely outside the Paris agreement and we must not return to the deadlock of 1989. What is important now is maintaining the political environment we have helped each other create for the past year, in order to advance toward the elections at this final stage. The formation of a coalition government is certainly not beneficial to the process of promoting the Paris agreement. On the contrary, it might very well drown or quash the agreement.

In a conversation between H.E. Prasong Sunsiri, Thai foreign minister, and H.E. Hun Sen during the latter's stopover at Don Muang Airport in Bangkok, H.E. Prasong Sunsiri denied the rumors that Thailand and ASEAN had proposed the establishment of a provisional internal Cambodian coalition government to replace the SNC. H.E. Prasong assured H.E. Hun Sen that the Thai stand was that the Cambodia problem must be solved by the Cambodians themselves and others must not interfere in Cambodia's internal affairs. In the same conversation, H.E. Hun Sen thanked Thailand and ASEAN for supporting the idea of holding the presidential election ahead of the constituent assembly election in Cambodia. The prime minister also asked Thailand to continue activities in support of the presidential election ahead of the legislative election by approaching UNTAC and a number of governments that remain reluctant on this issue.

Sihanouk Rejects Plans for Early Elections

HK2301071193 Hong Kong AFP in English 0711 GMT 23 Jan 93

[Text] Beijing, Jan 23 (AFP)—A bid to hold early presidential elections in Cambodia appeared to be derailed Saturday after Prince Norodom Sihanouk voiced his opposition. Despite some concerns, Prince Sihanouk had earlier consented to a proposal to hold presidential polls before elections for Cambodia's constituent assembly. But in a statement issued in Beijing, where he has been staying, he changed his mind.

"I propose...presidential elections be organized on the same day and the same hour as elections for the constituent assembly," the 70-year-old prince said. The reversal, Prince Sihanouk said, was intended to "end the controversy and political maneuvering on the question of the date of Cambodia's presidential elections." He did not elaborate.

The Association of Southeast Asian Nations (ASEAN) had proposed holding presidential elections just before the U.N.-supervised general elections expected in May. The six-nation group had supported Prince Sihanouk taking the presidency in the hope of breaking the deadlock in Cambodia's peace plan. The U.N.-brokered plan is threatened with collapse because of the Khmer Rouge refusal to join in any election.

Political Aim of Presidential Election Viewed

BK2301125993 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 0800 GMT 23 Jan 93

["News analysis: What is the presidential election for, what is its political aim, and in what situation will it occur?"]

[Text] I. The Cambodian nation and people, the Cambodian national resistance forces, and the Paris agreement have already clearly granted a role, rights, and power to Prince Norodom Sihanouk as chairman of the Supreme National Council [SNC] and Cambodia's head of state. However, this role, right, and power have all been trampled upon.

The 23 October 1991 Paris agreement has clearly determined that the SNC is the legitimate body and the sole source of power during the transitional period and that Prince Norodom Sihanouk has the role of head of state and SNC chairman. Since then the Cambodian nation and people, the Cambodian national resistance forces, and the international community have clearly determined that the SNC is the legitimate body and the sole source of power in Cambodia and that Prince Norodom Sihanouk is head of state and SNC chairman.

However, in practice, since the Paris agreement, allies both inside and outside UNTAC [UN Transitional Authority in Cambodia], the Yuon [derogatory term for Vietnamese] aggressors, and their puppets have given no role or rights to the SNC. Prince Norodom Sihanouk has not been given his rights and power as chairman of the SNC and head of state. Prince Norodom Sihanouk said in a statement dated 7 January 1993 that: I have no rights or power whatsoever. I am only a puppet whose 90 percent popularity rating and image of morality have been exploited to deceive and win over my compatriots in order to legitimize various decisions that run counter to my patriotic ideals and the interests of our nation, people, and race.

In fact, who is controlling Cambodia? There are three players:

First, UNTAC; second, the Yuon aggressors; and third, the Yuon's puppets. These three players decide everything. Among them, Akashi is at the forefront. In other words, laws and regulations in the Paris agreement already stipulate an SNC role. It was a unanimous view to grant the role of Cambodia's head of state to Prince Norodom Sihanouk. However, allies inside and outside UNTAC, the Yuon aggressors, and their puppets have not abided by all these stipulations.

What are the reasons for this? It is because old and new Yuon forces are relied upon. These forces have the puppets as a smokescreen; allies inside and outside UNTAC rely on these forces of the Yuon and their puppets. These three forces are working together to eliminate Democratic Kampuchea and the Cambodian national resistance forces through various means in order to occupy Cambodia in accordance with their respective interests. This is the basic reason why they have not given any role to the SNC and have not granted rights and power to Prince Noroodm Sihanouk as SNC chairman and Cambodia's head of state. And through this, the three players are cooperating in opposing the comprehensive implementation of the Paris agreement, particularly the main points.

As Prince Norodom Sihanouk, head of state and SNC chairman, summed up in his 13 and 14 December 1992 statements, those responsible for the dark situation relating to the loss of Cambodia's independence, sovereignty, and territorial integrity are the Yuon aggressors, their puppets, and UNTAC.

Therefore, the issue is more than clearcut; no one can claim they do not know or understand.

II. If the issue is so clearcut, why do people want to hold presidential elections? What for? And under what conditions? On this issue, it is necessary to consider again and again the following:

A. It is claimed that the presidential election is proposed in order to grant a legitimate role to Prince Noroodm Sihanouk and in order to solve this or that impasse. To this, the following question can be asked: Who is causing the impasse in Cambodia? Everyone can automatically answer that the ones who cause the impasse are those who do not implement the 23 October 1991 Paris agreement, particularly those who refuse to grant the SNC its role as a legitimate and sole source of power during the transitional period; those who do not take over the five ministries; and those who do not verify the withdrawal of the Yuon from Cambodia.

It is these people who violate and trample on the 23 October 1991 Paris agreement and turn to grossly and shamelessly accusing others, thinking that other people are blind or deaf if they are willing to be stepped on or killed at will.

B. Concerning the organization of the presidential election or assembly election in a situation in which the Paris agreement is not comprehensively implemented, particularly the main points, why do people still grossly insist on holding these elections? What for and in what kind of situation? To answer these questions, we should examine the following:

1. The situation and the timing in which the preparations for the presidential and assembly elections are being prepared. These preparations are made in a situation in which there is no control of the withdrawal of the Yuon aggressor forces from Cambodia. This is in order to maintain old and new Yuon forces and to allow Yuon nationals to continue to flow into Cambodia. There are over 2 million of these people now; 1.3 million of them already have Cambodian identity cards despite the fact that the majority of them cannot speak even one word of the Cambodian language. These election preparations are made at a time when the Yuon's puppets are masters and are constantly carrying out terrorist activities against the Cambodian nation and people and against various political parties.

2. In such a situation, can elections be held freely, democratically, and fairly, and in a neutral political atmosphere? Or will people stubbornly insist on holding elections in insecurity and amid the terrorism and fascism of the Yuon and the puppets, with allies inside and outside UNTAC collaborating to fabricate the plan and stage the election of the president of the Yuon, the puppets, and the allies inside and outside UNTAC?

3. Why are the allies inside and outside UNTAC and the Yuon aggressors and their puppets making efforts to hold the presidential election? And for what purpose?

The political goal of allies inside and outside UNTAC has not changed. They collaborate with the Yuon aggressors and the Yuon's puppets to implement an altered Paris agreement so that there is only one party, namely the Yuon's puppets. As for the presidential election, this is in preparation for achieving this bad political goal. This is why these people are exerting a lot of effort regardless of the fact that old and new Yuon forces are all over Cambodia and in a situation in which the Yuon and their puppets do as they please and are constantly carrying out terrorism against the Cambodian nation and people and other political parties. And this is despite the fact that they have been opposed and condemned by the Cambodian nation and people inside and outside the country.

Therefore, the president they want to elect would become a president of the Yuon's puppets, puppet of puppets of the Yuon, and also puppet of the allies inside and outside UNTAC. This is legitimizing the government through elections and putting various parties into the new government and into the grip of the Yuon aggressors and their puppets, as well as into the grip of the allies inside and outside UNTAC. We dare say in the grip, the iron grip even, because all forces are in the hands of these three groups. The Yuon forces in particular are most savage; they consist of old and new forces and control our state authority and all levels of the police and civilian administration from top to bottom.

Therefore, the danger created by the presidential election farce is even more dangerous and more serious than at present. The current danger is that the Yuon aggressors and puppets, and the allies inside and outside UNTAC are fully trampling upon the Paris agreement. But there is nothing yet to completely legitimize old and new Yuon forces and the Yuon's puppet regime. The allies inside and outside UNTAC also still cannot use the pretext of a legitimate elected president.

However, once the Yuon aggressors, their puppets, and allies inside and outside UNTAC have legitimate rights through the so-called elected president, then they will use all kinds of their forces to pressure and use the label of an elected president and an elected government to sign this or that edict to cheat and extinguish the Cambodian nation, people, and race in accordance with laws they will pass at will.

III. What is the view of the Cambodian nation, people, and the Cambodian national resistance forces on this idea of holding presidential elections in the current terrorized and fascist situation in Cambodia?

Here are the views of the Cambodian nation and people, and the Cambodian national resistance forces:

A. Categorically oppose the presidential election in a situation in which UNTAC does not control the Yuon aggressors, does not give a role to the SNC, and does not control the five ministries.

B. The Cambodian nation and people, and the Cambodian national resistance forces need UNTAC and various parties involved with the Paris agreement to comprehensively and correctly implement that agreement, particularly the clauses granting a role to the SNC as the legitimate and the sole source of power during the transitional period, granting Prince Norodom Sihanouk the rights and power to be a genuine head of state and SNC chairman, and on UNTAC verifying the withdrawal of the Yuon aggresors from Cambodia and UNTAC taking over the five ministries as already clearly stated in the 23 October 1991 Paris agreement.

The Cambodian nation and people, and the Cambodian national resistance forces, like peace- and justice-loving countries and people the world over hold that as long as the Paris agreement is correctly adhered to, particularly the above major clauses, there will be a genuine neutral political atmosphere for holding free, democratic, and fair presidential and assembly elections.

C. In the event people want to alter the 23 October 1991 Paris agreement in order to organize the presidential election, the Cambodian nation, people, and the Cambodian national resistance forces would like to clearly specify their positions as follows:

1. It should be clearly specified in writing by the four Cambodian parties in the SNC, UNTAC, the five permanent members of the UN Security Council, and by all the signatories of the Paris agreement, that this presidential election should be held in a neutral political atmosphere and with security so that the election proceeds freely, democratically, correctly, and justly.

2. The elected president should have genuine rights and power over all four Cambodian parties, including the Party of Democratic Kampuchea and the Phnom Penh puppet regime. There will no longer be Democratic Kampuchea and the Phnom Penh regime.

3. The newly elected president should have full rights and power, like the French or U.S. presidents, particularly the right to comprehensively implement the Paris agreement, especially the folowing clauses:

a. Carry out the verification to ensure that the Yuon forces are withdrawn from Cambodia and prevent the Yuon from flowing into Cambodia;

b. Control the five ministries;

c. The president organizes the genuinely free, correct, and just general elections in a neutral political situation and full security; and so on.

d. Reject all agreements or treaties signed between the Yuon aggressors and their puppets that affect Cambodia's independence, sovereignty, and territorial integrity. Cambodia's territorial integrity, seized by the Yuon aggressors since they committed their aggression in 1979, should be restored to Cambodia in front of the United Nations.

In sum, the president should have genuine rights and power in every field and sector of state affairs, including the right to implement the 23 October 1991 correctly and comprehensively providing Cambodia with genuine independence, unity, peace, neutrality, and sovereignty, with territorial integrity, and in order to achieve national reconciliation without foreigners committing aggression and occupation and acting as masters.

In such a situation, the Cambodian nation, people, and the Cambodian national resistance forces would like to express immense joy and offer the presidential candidacy to Prince Norodom Sihanouk and solemnly declare to the nation and the international community that they would unanimously elect Prince Norodom Sihanouk as Cambodia's president.

Australian Delegates End Visit, Depart

Meet With Chea Sim

BK2301080093 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 23 Jan 93

[Text] His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense, granted an audience to a delegation of the Australian Foreign Affairs and Trade Ministry led by its minister, H.E. Senator Gareth Evans, at the office of the CPP Central Committee at Chamka Mon on the afternoon of 22 January. H.E. Chea Sim cordially welcomed the guests. He profoundly thanked Australia for its peace initiative and considered H.E. Senator Gareth Evans a pioneer in mapping out a peace plan for Cambodia.

H.E. Chea Sim also reaffirmed to the delegation the goodwill and position of the CPP and SOC Government, which have painstakingly and correctly implemented the Paris accord in close cooperation with UNTAC [UN Transitional Authority in Cambodia]. However, the Khmer Rouge, he added, have not yet agreed to respect the accord and have continued to launch attacks to expand territory for the purpose of committing a second genocide against Cambodia and sabotaging the process of organizing elections in the near future.

In his reply, H.E. Senator Gareth Evans said he was very pleased with the developments in the SOC. He also voiced his support for the position of the SOC Government, which has properly executed the phases of the peace accord despite the Khmer Rouge's maneuvers to hinder the process of seeking peace in Cambodia. The Australian senator also expressed his contentment with the organization of a presidential election ahead of legislative elections, saying the presidential election should take place at least more than two weeks before the legislative elections.

Meet With Hun Sen

BK2301125493 Phnom Penh SPK in French 1105 GMT 23 Jan 93

[Text] Phnom Penh 23 Jan (SPK)—Mr. Hun Sen, chairman of the Council of Ministers of the State of Cambodia [SOC], on 22 January received Mr. Gareth Evans, Australian foreign affairs and trade minister and architect of the peace plan for Cambodia, who arrived this morning for a one-day visit to the country devastated by two decades of war. The discussion focussed on the issue of implementing the Paris pace accord, especially preparations for the forthcoming elections.

Chairman Hun Sen asked the United Nations to set fixed dates for presidential polls and elections for a constituent assembly, and also a deadline for the Khmer Rouge to take part in general elections. He also spoke about the development of the military, security, and socioeconomic situation in Cambodia.

In his reply, Mr. Evans expressed his agreement on the issue of providing foreign assistance to Cambodia and was committed to doing his utmost to enable Cambodia to receive more aid from the international community.

Also present at the meeting was Mr. John Scott Holloway, Australian ambassador to the Cambodian Supreme National Council.

This is the second trip made by the Australian foreign minister to Cambodia following his first visit on 12 December 1991.

During his stay, Mr. Evans also met with Mr. Yasushi Akashi, UNTAC [United Nations Transitional Authority in Cambodia] head, and other UNTAC officials.

In Bangkok, the Australian foreign minister had declared his support for ASEAN's proposal to organize the presidential polls ahead of legislative elections.

Evans, Indonesia's Alatas Comment

BK2401064693 Hong Kong AFP in English 0614 GMT 24 Jan 93

[By Sheri Prasso]

[Text] Phnom Penh, Jan 24 (AFP)—The foreign ministers of Indonesia and Australia left Cambodia Sunday with hopes that the Khmer Rouge would allow the United Nations to hold elections without disruption despite their boycott.

But Indonesia Foreign Minister Ali Alatas warned that if the Khmer Rouge do not participate they "would run the risk of being simply regarded as an insurgency to be fought after the election."

"That is precisely why I, out of conviction, argued with them that no matter what misgivings they may have, whatever serious objections they may have, I thought honestly that it is better to work from within the process than to work from outside," Alatas said of his meeting last week in Bangkok with Khmer Rouge leader Khieu Samphan.

"At this stage I can only hope that they would see it in their interests not to disrupt the election, and in this way risk the censure of the international community which wants these elections to proceed," the Indonesian foreign minister said.

"Not to participate in the election on the basis of their political principle is one thing," he said. "To disrupt it is another thing."

However, Australian Foreign Minister Gareth Evans, one of the key architects of the peace accords ending the civil war, was more confident about the smooth running of U.N. elections in May.

The Khmer Rouge "will not engage in disruptive action," he said.

"The Khmer Rouge are working on the assumption they can achieve their objective without breaking down the electoral process," he said after a U.N. banquet held Saturday night in his honor.

Just before boarding his plane Sunday he added: "Broadly I believe this process is still on track and I'm very optimistic about bringing the process home and creating a durable peace in the country."

Alatas said he was successful in gathering a consensus of views about holding the presidential and parliamentary elections, and believed both would be held in May, possibly at the same time.

Prince Norodom Sihanouk, who is sure to win presidential elections, changed his mind Saturday in Beijing and issued a statement saying he would accept simultaneous elections. Previously he said he wanted to be elected weeks before the general assembly elections.

Firm dates—as well as the powers of the presidency—would be discussed at the Supreme National Council (SNC) meeting in Beijing on Thursday, Alatas said.

He said he discussed with Khieu Samphan the possibility of participating in only the presidential election if his faction could not accept conditions for the general assembly elections.

The Khmer Rouge leader told him that the faction did not believe the peace accords were being implemented properly and therefore could not participate in either U.N. election.

However, a Khmer Rouge radio broadcast Saturday indicated the faction would participate in presidential elections under certain conditions.

"There may be certain unacceptable elements in their view that would be present at the general election but would not be there at the presidential election," Alatas said. "I said, 'If you're going to change, change now your position.'"

The Khmer Rouge believe the United Nations is failing to implement the peace accords because it is allowing Vietnamese to continue "occupying" Cambodia, and because the SNC does not have enough power independent from U.N. supervision.

The United Nations maintains it has looked for Vietnamese troops left over from the 1978 invasion and cannot find any. But hundreds of thousands of Vietnamese immigrants have populated Cambodia, some of whom U.N officials admit are former soldiers.

Alatas said Khieu Samphan told him the Khmer Rouge do not want war, and are still looking for a political solution.

"So I told him that while I recognize many of their misgivings were legitimate, I could not recognize their interest in staying out of the process," Alatas said.

Indonesia

Clinton's Economic, Foreign Policies Viewed

BK2501120593 Jakarta THE JAKARTA POST in English 21 Jan 93 p 4

[Editorial: "The Three Pillars"]

[Text] Only 48 hours before Bill Clinton's inauguration as the 42nd president of the United States, allied planes—notably U.S. planes—were bombing targets in Iraq, an attack the allies claim was intended as a lesson to Iraqi president Saddam Husayn for disobeying United Nations sanctions. Thus, as the festivities around Clinton's accession take place today, other people—the victims of allied bombings—are dying in Iraq.

Some people, taking a humanitarian point of view, may say that this is not a good way for a new president to take office. Others may argue that, Saddam himself should be blamed for the bloodshed, and that the attack shows U.S. resolve in punishing Saddam and forcing Iraq to comply with the United Nations sanctions.

Today the 11 weeks of the presidential transition period is over. Exit George Bush. Enter Bill Clinton. And now the world is waiting to see what President Clinton will do, not only about Iraq but about other international problems as well. As the saying goes, if a king sneezes, his people will tremble. As the last remaining superpower and one of the world's greatest trading nations, any shift in U.S. policy will affect the rest of the world.

While waiting for Clinton to reveal his grand policy, we expect, in foreign policy at least, more of the same. The new administration will continue the legacy left by George Bush. Clinton has already vowed, for example, not to change America's hardline policy toward Iraq. And he won't, even if he has other ideas, for he must ride on the winds. According to the latest polls, the majority of the American people support the hardline policy.

But we are afraid that in adhering to this policy, Clinton, like his predecessor, will for years be haunted by Saddam, whose grip on power has only been strengthened by the allied raids. As the press has reported, the Iraqi leader has been successful in shoring up his own position by focussing his people's anger on the allies and their bombs.

Moreover, to continue this policy is to confirm concerns expressed by Third World countries that the U.S. is guilty of using a double standard, taking a hard line against the Iraqis but behaving moderately, or doing nothing at all, on matters involving the Palestinians or the people of Bosnia. During his campaign, Clinton portrayed himself as a man who represents change. But how far Clinton will go in shaking off the legacy of George Bush's double-standard policy is anyone's guess.

Understandably, President Clinton's first obligation is to fulfill his campaign promises to the American people. He has pledged, as his first pillar, to restore America's economic vitality. In this regard, Clinton may find that the situation is better than many people felt not so long ago: there is increasing evidence that the U.S. economy is recovering, and a stimulus package which Clinton has promised to unveil soon may get it moving even faster.

Whatever the new president is planning to do, his work in creating jobs and cutting the steep American trade deficit will surely keep his hands full, at least for the time being.

The second pillar of Clinton's foreign policy, as revealed to Washington's diplomatic corps last Monday, is a restructuring of the U.S. armed forces. That restructuring, apparently, will include cuts in the defense budget, which is a reasonable step now that the Cold War is over. But how much such cuts will affect the U.S. military's presence in, say, the Asia-Pacific region remains to be seen.

The third pillar of Clinton's foreign policy is support for democratic values around the globe. As revealed by a senior official on Clinton's transition team last week, it is crucial, the new president believes, for the U.S. to resume a leadership role on environmental and development issues. The official also said President Clinton will seek greater cooperation with developing countries and will promote environmentally sustainable policies. "Helping developing countries achieve democracy and economic growth without destroying their natural resources could also help the U.S. boost exports while reducing tensions in sensitive areas," the official said.

That issue has the potential to muddy this country's future relations with the U.S. But we deem it futile to comment on what has not yet happened, except to offer the reminder that in the past the U.S., in applying too much pressure on human rights and environmental issues, has strained its relations with some Third World countries.

We hope that President Clinton, who is known for his fresh ideas and humane vision of the future, will be open to the values and perceptions of other countries even if they are sometimes in conflict with his own.

'Indiscriminate Attacks' Against Iraq Criticized

BK2501071693 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 25 Jan 93

[From the press review]

[Text] MEDIA INDONESIA describes the United States' indiscriminate attacks against Iraq as the superpower's arrogance in imposing its will. Former U.S. President George Bush's arrogance, which is likely to continue under new President Bill Clinton, seems to show that the United States is at its wit's end in dealing with Iraqi President Saddam Husayn. MEDIA INDONESIA says the no-fly zone sanction imposed on Iraq and subsequent attacks against that country on the pretext of protecting the Kurds and the Shiite Muslims or allegations that Iraq has violated the UN resolutions cannot be justified because the United States continues to ignore the Serbian attacks against the Bosnian Muslims and Israel's move to deport the Palestinians. This daily notes that in charting his foreign policy, new U.S. President Clinton must understand the mistakes committed by his predecessor because conflicts can only be solved by dialogues, not by military means.

PDI Members Face Punishment for Opposing Suharto

BK2501134893 Jakarta THE JAKARTA POST in English 22 Jan 93 p 2

[Text] Jakarta (JP)—Indonesia Democratic Party (PDI) legislators at the House of Representatives (DPR) who have criticized their party's recent decision to renominate President Suharto will be punished. PDI chairman Surjadi said yesterday the legislators faced "administrative punishment."

He declined to explain what he meant by "administrative punishment", but said, "They will not be recalled."

Surjadi said reports about the possibility PDI would order its critical representatives to leave their seats at the DPR and the People's Consultative Assembly (MPR) were "only speculation."

DPR/MPR members like Guruh Sukarnoputra and Sophan Sophian are among the many senior PDI members who ridiculed the party's leadership meeting's decision on January 13 to renominate Suharto.

They say the decision constitute's the party's betrayal of its highly publicized commitment to fight for political reforms made during the 1992 general election campaign.

Surjadi has countered the criticism by saying that the promise did not include demanding a change in the national leadership. He said he means to see that the promised reforms begin in 1998, the year when Suharto will complete his sixth term, if he is re-elected this March.

Guruh, in his efforts to fulfill the party's election promises, nominated himself for president, but the recent leadership meeting did not endorse his candidacy.

Guruh, the youngest son of Indonesia's first president, Sukarno and Sophan Sophian, a film actor, were highly popular PDI vote getters during the 1992 election campaign.

Surjadi said that none of the DPR/MPR members who threatened to relinquish their legislative posts if their party leaders chose to nominate Suharto had yet tendered their resignations.

The dismissal of all critical party members was proposed by the chairman of the PDI Jakarta chapter, Alex Asmasubrata, who is an ardent support of the renomination of President Suharto, in a press conference last week.

Alex threatened to put pressure on Surjadi and to mobilize support from other provincial chapters to dismiss party members who "opposed" the decision made at the leadership meeting.

Alex's move has angered senior PDI leader Yahya Nasution, one of the party's main backers of the on-going debate on political reforms at the MPR.

"Alex shouldn't have issued the statement because he has no authority to do that," he said early this week.

He said Sophan and Guruh had violated no law and had broken no internal rules of PDI, which is the nation's smallest political party.

Sabam Sirait, an influential PDI figure and former member of the Supreme Advisory Council (DPA), has called on fellow party members to refrain from making statements that could exacerbate internal conflicts.

Paper Examines Retreat From Reform Pledge

BK2501135893 Jakarta THE JAKARTA POST in English 22 Jan 93 p 4

[Editorial: "Political Reform"]

[Text] A last minute decision by the Indonesian Democratic Party (PDI) faction of the People's Consultative Assembly (MPR) to drop its political reform proposals before last Tuesday's deadline in the MPR Working Committee session has relieved the tension in the assembly.

A day earlier, the United Development Party (PPP) faction took a similar step by backing away from its former "never surrender" stance. The proposals suggested by the two parties had practically brought the debate to a standstill because the government-backed Golkar [Functional Group], the Armed Forces (ABRI) and the Regional Representatives factions strongly opposed the propositions for change.

PPP's package of political reforms consisted, among other things, of a demand for a more democratic approach to the question of the general election, including allowing political parties to take part in the election process at all levels. The party charged that the current system is not democratic because the government, which backs Golkar, dominates the entire election process.

PDI's political reform proposals, which the party earlier vowed it would "defend to the end", comprised, among other things, a plan to limit the presidential tenure, and to change the election process. In general, PDI's proposals were much the same as those of PPP.

Many political observers have not found the decisions made by the PPP and PDI to soften their position on political reforms surprising. Many predicted that the current political structure would not allow reform of any kind because that would jeopardize the present status quo, which benefits the ruling Golkar (and also ABRI, for that matter).

They believe that the political reforms promised by PPP and PDI during the 1992 election campaigns were merely tactics meant to draw votes. Clearly, any student of politics would surely know that any attempt by "outsiders" to reform the current political structure would end in failure.

Almost all books dealing with politics say that as long as the status quo benefits the ruling groups, they will always try to maintain it. Thus, any incumbent ruler will try to maintain his hold on power. Hence, Guruh Sukarnoputra's attempt to nominate himself as a presidential candidate was rejected by the leaders of his party, PDI, because it might have endangered the PDI's present leadership. And who would ever dream that the ruling Golkar faction would agree to support proposals to change the current election system, a step that might upset its present position?

It is a fact that political reality is far from political wishful thinking. But given the present level of political awareness among Indonesia's populace, it is understandable that the public here does not know much about those political realities and is thus easily lured by election campaign promises.

However, we do not rule out the possibility of political reforms occurring here. As we stated earlier, the present ruling elite is unlikely to allow reforms from "outsiders." Still, they might prefer to introduce "gradual" reforms of their own making, in a form and to an extent to suit their own interests.

Perhaps that is the reason why quite a number of people who were formerly known as "reformers" have joined Golkar (and recently also the Moslem Intellectual Association, ICMI)—to attempt "gradual reforms" from within.

However that may be, many others reject the notion, believing such an attempt to be futile. Some even believe that true political reforms can only be achieved here through "surprises."

Still, one reality warrants bearing in mind. Whatever the outcome of the current debate on political reforms in this country, one thing is sure: democratization is a global trend that is like a snowball. No ruler can stop it from growing once it starts rolling, although perhaps it can be slowed down. And since this country and its people are shaped by their own conditions and characters, the best that we can do is to prepare the best possible cushion for all eventualities.

Sudanese Foreign Minister Visits Jakarta

Supports Government Role in NAM

BK2401085193 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 24 Jan 93

[Text] Speaking to newsmen in Jakarta yesterday, Sudanese Foreign Minister 'Ali Ahmad Sahlul said that on behalf of other members of the Nonalinged Movement [NAM], Indonesia has the right to present NAM's views to the next summit of the Group of Seven (G-7) industrial nations in Tokyo, Japan. He said Indonesia, being the current chairman of NAM, is representing over 100 developing countries and that means it is a representative of the majority of the international communities.

Sudan is of the opinion that NAM is still relevant now. In view of that, Foreign Minister 'Ali Ahmad has expressed the hope that NAM will be able to bring a closer link between countries across the world whose differences of opinion are causing a wide gap in bilateral ties. He sees that very serious threats come from countries in the West which will in turn lead to unbalanced relations between the developed and developing countries.

Foreign Minister 'Ali Ahmad arrived in Jakarta yesterday and is scheduled to hand over a letter from the president of Sudan to President Suharto tomorrow. He is also slated to hold talks with several cabinet ministers.

Criticizes Attacks on Iraq

BK2501034093 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 25 Jan 93

[Text] Sudanese Foreign Minister 'Ali Ahmad Sahlul believes the U.S.-led allied forces' attacks against Iraq cannot be justified. Speaking to reporters in Jakarta, 'Ali Ahmad Sahlul said the allied forces' attacks constitute a violation of human values. He said the United States and his allies should have done the same thing against the Israelis, who have expelled the Palestinians, or the Serbs, who have attacked the Bosnian people.

The Sudanese foreign minister is now in Indonesia for a two-day visit to promote closer political and economic ties with Indonesia. He also acknowledged Indonesia's achievements in trade, industry, and other sectors, which explained Sudan's decision to boost its ties with Indonesia.

Editorial Views Significance of Miyazawa Visit

BK2101131793 Jakarta THE JAKARTA POST in English 11 Jan 93 p 4

[Editorial: "Miyazawa's visit"]

[Text] Commenting on his scheduled trip to Southeast Asian countries, Japanese Prime Minister Kiichi Miyazawa said in his New Year's press conference two weeks ago that he believed a promising future could be expected for the members of the Association of Southeast Asian Nations, ASEAN. "Through meetings with both leaders and ordinary people in the area, I hope to find out what they want Japan to do, and to determine what Japan should do", he was quoted as saying.

Today, Miyazawa is scheduled to arrive in Jakarta. To judge by his New Year's statement, he will be here to meet people, to hold discussions on bilateral, regional and international matters and to exchange views. Certainly, he deserves a warm welcome from all of us.

Apparently, Miyazawa's visit to this region is also to promulgate his Southeast Asia policy, an elaboration on which is expected to be delivered in Bangkok on 16 January. The "Miyazawa Doctrine", which is expected to serve as a central guideline for Japan's diplomacy in the Asia-Pacific region, was prepared by an 18-member private advisory body assisting the prime minister. The proposals were issued during the final meeting of the Council on the Asia-Pacific Region and Japan in the 21st Century, which convened in Tokyo in December.

For the last several years Japan has been keen on playing a more important international role. For the first time since its defeat in World War II, last year Japan dispatched a self-defense force to Cambodia. This was made possible after the Diet, the Japanese parliament, passed a Peacekeeping Operations Law last year. We believe, however, that Japan will not, at least for some years to come, abandon its "checkbook diplomacy" entirely—that is, its policy of giving preference to sending financial assistance instead of personnel. All of which indicates just how cautious Japan's initial international noneconomic role can be expected to be.

Japan is also seeking permanent membership in the UN Security Council in 1995. Given all this, it would be interesting for us to hear more about the Miyazawa Doctrine, since it will surely unveil the Japanese perspectives regarding the Asia-Pacific region and Japan's contribution to international peace. Being that Japan is the world's strongest economic power and Indonesia's biggest donor country, not to mention its investments here, we should carefully consider what Japan has in mind.

From what we have learned, the Miyazawa Doctrine postulates that the keys to the realization of a peaceful and prosperous world are the promotion of openness and respect for plurality. Thus, we would not be surprised, if, during his swing through this region, Miyazawa would call for more talks to enhance policy dialogues, to explain Japan's policies and to ensure that Japan, for its part, also understands the other countries' intentions.

According to some reports, the doctrine stresses the importance of maintaining a U.S. military presence in the Asia-Pacific region, which is considered "indispensable" for the security of this region. That presence, according to the doctrine, would ensure a U.S. commitment to this region and lend credence to Japan's basic stance that it will not become a military power which could be a threat to other countries.

To improve communication, Japan will likely use the existing bilateral and multilateral forums, including the ASEAN Post-Ministerial Conference, to formulate regional security policies and devise a mechanism to prevent and curb armed conflicts. Miyazawa could also propose to ASEAN leaders that they consider having China and Russia join such a discussion.

On the economy, the Miyazawa Doctrine seems to emphasize the basic idea that barriers to trade and investment must be removed and that efforts to help maintain and strengthen the framework of world free trade based on the General Agreement on Tariffs and Trade (GATT) should be stepped up.

In short, the Miyazawa Doctrine sounds like a well-prepared study which is worth pondering. However, what is more important is its implementation. It takes two parties, imbued by mutual trust, to reach satisfactory results.

In the past, we have had doubts about Japan's intentions. Many of us even had difficulty fathoming what was really in Japan's mind. The case of the Akatsuki Maru with its plutonium shipment, for example, gave rise to major doubts in many Asian countries and in other nations in other regions as well. The most disturbing question raised was: How far would Japan go in sacrificing the interests of other countries for the sake of ensuring its own?

As for economic relationships, Indonesia has for years complained about Japan's strict protection of its agricultural product market and has urged that country to open its market wider for commodities such as plywood, rice, and tea. That Japan should play a greater international role needs no mention. What we need, however, is stronger assurances, backed by action.

Laos

Foreign Minister Views Situation in Cambodia

BK2301092793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 23 Jan 93

[Interview with Phoun Sipaseut, deputy prime minister and minister of foreign affairs, by unidentified PASASON correspondent on present situation in Cambodia—dated 22 January]

[Text] [PASASON] What are your views on the present situation in Cambodia and its effect on Laos?

[Phoun Sipaseut] The situation in Cambodia at present is entering a difficult time. It is complicated and there remain no appropriate means to settle it in order to successfully push forward the implementation of the Paris accord on Cambodia. This is because the Democratic Kampuchea side has refused to give genuine cooperation in implementing the said accord. Forces of the Democratic Kampuchea faction have continued to create disturbances in Cambodia. They have killed Cambodian people and overseas Vietnamese residents residing in Cambodia. Moreover, the Democratic Kampuchea faction has refused to participate in the elections which are scheduled to be held in the near future.

All these are intended to delay the elections and to obstruct the achievement of peace and national concord in Cambodia as well as the implementation of the Paris accord on Cambodia.

The Lao People's Democratic Republic [LPDR], in its capacity as a signatory state of the Paris accord on Cambodia, has always contributed, as much as possible, to the implementation of the accord. If the said situation is prolonged and not settled through an appropriate means, it will certainly affect the achievement of peace and national reconciliation in Cambodia. It will also bring about adverse effects on neighboring countries in this region. In view of this, the LPDR hopes that the UN Transitional Authority in Cambodia, or UNTAC, as well as the UN Security Council and the Supreme National Council, or SNC, will use appropriate means to make the various Cambodian factions sincerely cooperate in resolving the Cambodian problem for peace and national reconciliation in Cambodia as well as for peace and stability in the region and the world.

[PASASON] What do you think about the idea of holding the presidential election before the general elections in Cambodia?

[Phoun Sipaseut] To stabilize the situation and to maintain tranquillity in Cambodia, the LPDR supports the idea of holding an election for president of the state of Cambodia before holding the general elections. I see this as a necessary and most suitable requirement in light of the present situation in Cambodia.

Election Committee Meeting Objectives Noted

BK2501102393 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 Jan 93

[Remarks by Chaleun Yiapaoheu, member of the Supreme People's Assembly Standing Committee and standing member of the National-Level Election Committee, to station correspondent on the objectives of the meeting of the National-Level Election Committee at the National Assembly, in Vientiane on 25 January—recorded]

[Text] Beloved listeners, as we all know, the election of members to the Third National Assembly was held on 20 December 1992. Since then, the National-Level Election Committee [NEC] and the election committees of all the provinces, Vientiane, and the [Sianghon-Hongsa] Special Zone throughout the country have made an initial review and assessment of the election. Today, the nationwide meeting to review and evaluate the outcome of the election of the Third National Assembly was opened at the National Assembly conference room in Vientiane. The main objectives of this meeting are as follows:

The first objective is to review and assess the strong and weak points of the election outcome, to determine the factors of such points, and to draw experience in implementing the innovation policy on the political system as stipulated in the party Central Committee Political Bureau's Order No. 29 on the election of the Third National Assembly.

The second objective is to review the results of implementing supervision and command in carrying out political activities to educate the people and stimulate their sense of ownership of the country, as well as to review the organization of ballot casting in the 20 December 1992 election.

The third objective of this meeting is to promote unity between the central and local administrations, and among the party, government, and the people in implementing the innovation policy on the political system of our Lao People's Revolutionary Party.

These are the main objectives of the meeting. In conclusion, the objectives are to review and assess the successes, and strong and weak points in carrying out political activities and holding the election of members to the Third National Assembly and to draw experience from that analysis.

The participants in the meeting include members of the NEC, as well as members of the election committees of all provinces, Vientiane, and the special zone. Also taking part in the meeting are ministers and deputy ministers, members of the government, and representatives of mass organizations, collective organizations, and business firms that contributed to the election of the Third National Assembly. The meeting will last for two days from 25 to 26 January.

At the opening session on the morning of 25 January, President Nouhak Phoumsavan, chairman of the NEC, presented a report reviewing and assessing the results of the election. After that, members of the NEC, and members of the provincial-level election committees from all provinces, Vientiane, and the special zone will offer their views. On the afternoon of 26 January, an overall assessment of outstanding performances will result in an announcement commending the individuals and collective units that produced outstanding achievements in the process of political activities and the holding of the election to the Third National Assembly.

These are the essential points of this meeting. Therefore, I would like to call upon the fraternal people of all strata and all ethnic groups to follow the developments of the meeting. After the meeting, I will inform you more about its success. All this is to further transform the theory of the successful election and political campaigns into real practices in order to enhance progress in various fields. Thank you.

Committee Reviews Achievements

BK2501133393 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 Jan 93

[Text] This morning, the National-Level Election Committee held a meeting at the meeting hall of the National Assembly in Vientiane to review lessons and assess achievements of the election of members to the Third National Assembly. The meeting was chaired by Nouhak Phoumsavan, chairman of the National-Level Election Committee. Attending as guests of honor were members of the National-Level Election Committee, ministers, chairmen of mass organizations at the central level, and heads of companies and collective units who contributed to the campaigns for the election of the Third National Assembly, along with representatives of the electoral committees of all 18 constituencies throughout the country.

In the meeting, Nouhak Phoumsavan, chairman of the National-Level Election Committee, had the honor of delivering a speech reviewing achievements and lessons as well as strong and weak points of the election of the Third National Assembly, which was held on 20 December 1992. He said: Since the establishment of the Lao People's Democratic Republic [LPDR], we have elected members to the Supreme People's Assembly [SPA] on two occasions. After the two supreme assemblies accomplished their historic, noble, and glorious duties, it became necessary to convene the third assembly which will serve as the legislative body, called the National Assembly, in order to continue implementing our party's policy of restructuring the political system as stipulated in the LPDR Constitution.

The election of members to the Third National Assembly was organized at a time when the world and regional situations were changing in a very complicated manner, change which has greatly affected the comprehensive restructuring cause as well as our country's election of the Third National Assembly. It is noteworthy that the hostile forces have carried out a strategy of effecting change through peaceful means with the hope of doing away with our party's leadership and pulling our country into their orbit. They have strived to carry out subversive schemes and sabotage through armed activities. At the same time, they have carried out demagogic propaganda on the multiparty democracy and humanitarian issues.

On the other hand, the election of members to the Third National Assembly was held at a time when we had the first constitution of the LPDR and when we had achieved initial success in implementing our party's restructuring policy. In general, the entire period of nearly four months of the preparations for the election of members to the Third National Assembly was considered a significant period in which our people moved their line of thinking and concepts to a new level.

We are elated to see that the political campaigns on this occasion have basically served our requirements. It has been seen that through political training, the multiethnic people have moved their line of thinking and views to new level. For example, they have enhanced a sense of being owners of the country, further upheld a patriotic spirit and spirit of cherishing the popular democratic system, and come to clearly understand the enemy's dangerous tricks of peacefully effecting changes, in particular their schemes on the multiparty democratic issue, the division of tribal people, and the use of religion to disrupt internal solidarity. Following them reaching that understanding, the multiethnic people now feel joy and rejoice in their confidence in the party's leadership and the new system.

Compared to the last two SPA elections, it can be seen that in this election, the people's political awareness has been promoted ever more firmly. Having enhanced their sense of being owners of the country to another higher level, the people have effectively implemented the citizens' democratic rights. A large number of people, having maintained their political awareness, joyously and voluntarily turned out to vote on election day. According to statistics, some 99.33 percent of all eligible voters throughout the country turned out to cast votes in the election. This percentage is some 0.53 higher than that in the election of members to the second SPA. Among all 18 constituencies throughout the country, all eligible voters in one constituency turned out to exercise their rights while 99.13 to 99.90 percent of eligible voters in 14 constituencies exercised their rights and 96.45 to 98.99 of eligible voters in the three other constituencies exercised their rights. Throughout the country, only 0.16 percent of the total ballots cast in the election were incorrect.

This was a significant event in our people's political life. It has proved our people's patriotic spirit, their spirit of cherishing the new system, and their sense of being owners of the country. Following the enhancement of the people's sense of being owners of the country through the political campaigns on this occasion, the election of members to the Third National Assembly proceeded in a stable atmosphere. Tranquillity and public order were completely guaranteed during the election.

Following is the structure of the candidates: Of the total 154 candidates running in the election, 34 were from various branches of service in the center and 120 others were from various localities; 16 were female; 108 were from the Lao Loum tribe; 29 were from the Lao Theuang tribe; 17 were from the Lao Soung tribe; 63 were intellectuals; 7 were businessmen; and 4 were independent candidates. Of the 154 candidates, 85 have been elected members of the Third National Assembly.

The structure of the elected candidates is as follows: Of the 85 candidates elected, 30 were from the central branches and the remaining 55 were from various localities; 8 were women, 6 were personages, 45 were intellectuals, 3 were businessmen, 62 were from the Lao Loum tribe, 16 were from the Lao Theuang tribe, and 17 were from the Lao Soung tribe. Education: Three of the elected candidates have completed only primary-level education, 33 at the secondary level, 28 at the senior high school level, and 21 others at the university level. Age category: The youngest elected candidate is 31 as the oldest is 79; the average age is 50. Seven were under 40, 38 were from 40 to 49 years, 28 were from 50 to 59 years, and 21 were from the 60 to 79 age range. [all figures as heard]

It is generally noted that the structure of the candidates running in the election, as well as the structure of the members of the Third National Assembly, has correctly reflected our party's strategy and tactics in achieving unity and national concord. It has guaranteed national characteristics, ethnic minority characteristics, mass characteristics, and class characteristics.

44th Army Anniversary Marked 20 Jan

Minister Receives Foreign Attaches

BK2001062593 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 20 Jan 93

[Text] On the morning of 19 January at the Ministry of National Defense, Lieutenant General Ai Souli-gnaseng, deputy minister of national defense and chief of the Lao People's Army [LPA] General Staff Department, and high-ranking military officers from the Ministry of National Defense, received visiting military attaches of many countries congratulating them on the 44th founding anniversary of the LPA.

The well-wishers were military attaches of various countries to Laos and their respective parties, namely the Socialist Republic of Vietnam, the People's Republic of China, the Russian Federation, the Kingdom of Thailand, and the State of Kampuchea.

On behalf of the Ministry of National Defense and the LPA Armed Forces, Lt. Gen. Ai Souli-gnaseng thanked the military attaches of the friendly countries. He also highly valued the steady improvement in relations and cooperation between the LPA and their armies.

At the same time at the National Defense Ministry Club, various delegations were present to extend their congratulations on the LPA anniversary. They included delegates from the Ministry of Trade and Tourism; the Federation of Lao Trade Unions Central Committee; the Federation of Lao Youth Unions Central Committee; the Propaganda and Training Board Central Committee; and a group of overseas chinese residents. They were received by Major Souli-gna Bounleut, deputy chief of the General Political Department, and high-ranking officers from various departments in the Ministry of National Defense.

Editorial Marks Anniversary

BK2001125993 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 20 Jan 93

[Editorial: "Promote and Expand Army Traditions, Enhance a Sense of Revolutionary Vigilance, and Be Prepared To Smash all Enemy Schemes of Peacefully Effecting Changes"]

[Text] Beloved listeners, on 20 January this year our Army and people celebrate the 44th founding anniversary of the Lao People's Army [LPA] in an atmosphere of overwhelming pride and elation over their new, firmly significant achievements. Under the clear-sighted leadership of the Indochinese Communist Party in the past and the Lao People's Revolutionary Party [LPRP] presently, the LPA was founded on 20 January 1949. Since its founding, the LPA has been increasingly consolidated, developed, and strengthened. From being a young armed propaganda unit which carried out activities under the form of militia-guerrillas against enemy elements, it has systematically evolved into a modern, well-organized army. The LPA was composed of necessary combat corps equipped with considerably modern weapons, and was capable of serving as the main force in carrying out the people's war against foreign aggression. It marched forward to completely liberate the country in 1975. It has continued to serve as the main force in the national defense and public security battlefront throughout the past 17 years, thereby securely defending the revolutionary gains and basically maintaining public security in various localities throughout the country. It has also positively contributed to safeguarding peace in Indochina and Southeast Asia.

In the past year, though the situation was very complicated and difficult, all cadres and combatants of the LPA resolutely and gallantly overcame all obstacles and successfully defended the line and policies of the party and state. They positively took part in the socioeconomic development of the nation, thus significantly contributing to the consolidation and building of the people's bases, in particular in the remote, rural areas, building field positions for national defense and public security maintenance, and setting up defense villages and groups of combat villages.

Our historic road was very tortuous and intricate. But with their profound patriotic spirit, our combatants and multiethnic people throughout the country marched forward to fulfill the sacred call of the party. They were determined to sacrifice their lives, energies, intelligence, and all property for the victory of the revolution.

Looking back on the past 44 years of the historic road from the peak of victory today, we feel indescribably elated and proud over the precious heroic deeds of the LPA. Under all circumstances, be it difficult or complicated, cadres and combatants of the LPA are always firmly loyal to the nation, the party, and the multiethnic laboring people. They have always maintained a firm spirit of heroic, indomitable struggle; maintained creative ideas to fight for the victory of the revolution; and maintained a spirit of industriousness and perseverance in fulfilling all tasks, boosting self-sufficient production, and building their own strength. They have closely associated with the multiethnic people, effectively implementing the following slogan: The Army and the people are like fish and water. At the same time, LPA cadres and combatants have always maintained close solidarity with the armies and peoples of various fraternal socialist countries as well as with progressive forces in the world. They have particularly maintained the special solidarity and combat alliance with fraternal Vietnamese and Cambodian Armies and peoples. All these have become the fine traditions and precious heritage for our Army to march forward to fulfill tasks in the cause of national defense and construction.

In celebrating the anniversary of the LPA this year, instead of having joy and pleasure, we have been afflicted with mournful sorrow resulting from the demise of President Kaysone Phomvihan, founder of the heroic LPA and direct commander and leader of our people's Armed Forces, who has left behind as a heritage for our nation and Army his meritorious deeds and sacred teachings. The world situation has complicatedly changed in an unfavorable manner to revolutionary forces. Presently, the enemies of the revolution in our country have striven to carry out, through brutal tricks, schemes of peacefully effecting changes with a view to subverting and sabotaging our party and Army and proceeding to destroy our new system. Now more than ever, our cadres, party members, combatants, and people must promote and expand the past 44-year precious traditions of the heroic LPA, implement the sacred teachings of late President Kaysone Phomvihan, unite as one around the party Central Committee, strive to study and firmly grasp the party's line and policies, profoundly understand the Army's tasks, pay attention to training themselves in combat tactics and strategy, positively consolidate and build all-around strong units, closely associate with grass-roots people, positively take part in carrying out development work to raise the standard of living, heighten vigilance always, be prepared under all circumstances to crush and defeat all enemy schemes of peacefully effecting changes, and be determined to securely defend the country and maintain revolutionary gains.

Philippines

Authorities Defuse Bomb at U.S. Embassy

HK2501005693 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 24 Jan 93

[Text] A terrorist attempt to blow up the U.S. Embassy on Roxas Boulevard, Ermita, Manila failed when bomb experts were able to defuse and dispose of a locally made smoke bomb, which could have destroyed half of the embassy building. According to reports, embassy security guards and personnel saw smoke coming out from behind the compound and immediately called the Western Police District, which immediately responded to the call. The U.S. Embassy in Manila, along with other U.S. Embassies throughout the world, is currently on alert in light of the growing tension in Iraq. It is believed that Arab terrorists are targeting the various U.S. Embassies in retaliation for the U.S. attack on Iraq.

MANILA BULLETIN Reports

HK2501010993 Manila MANILA BULLETIN in English 25 Jan 93 pp 1, 8

[Report by Vic Vega]

[Text] An attempted bomb attack by suspected terrorists at the United States embassy on Roxas Blvd., Ermita, Manila, was foiled by alert embassy officials and security guards, it was reported yesterday.

Bomb disposal experts of the Western Police District Command (WPDC) found inside the embassy compound and 81-millimeter bomb which is enough to blow half of the building.

A police report said that embassy security personnel saw smoke coming out from the back portion of the compound at around 10 a.m. [0200 GMT] yesterday.

Bomb disposal experts Lorenzo Molato and Miguel Cruz rushed to the building after American embassy officials and Filipino guards called up the WPDC to report the incident.

The two policemen later disposed of a locally-made smoke bomb. They also found beside the smoke bomb the 81-millimeter explosive, the report added.

The US embassy in Manila has been on alert following the resumption of attacks by U.S. and allied forces on Iraq. American intelligence sources believe that the U.S. embassy in Manila as well as the other American embassies around the world will be targets for terrorism by Iraqis and Palestinians in retaliation for the continuing bomb attacks by American warplanes on Iraqi missiles and radar sites in Iraq.

Meanwhile, unidentified car-riding men lobbed a grenade at the house of a businessman in San Andres, Manila at around 2 a.m. Saturday. No one was reported injured in the blast, said Supt. Rufino Torrenueva, head of the WPDC intelligence division.

The house of businessman Edgardo Belesa was partially damaged during the bomb attack, the report added. Police are still investigating the incident.

Bomb Said To Be World War II Mortar

HK2501050293 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 25 Jan 93

[Text] Captain Antonio Ongpico of the Western Police District Explosives and Ordinance Division confirmed today that an 81-mm mortar exploded at the U.S. Embassy compound yesterday. The report said that the rusty bomb was a remnant of World War II, adding that there are more bombs of this kind still within the embassy compound. Authorities will launch a follow-up operation for the recovery of the mortars. The bombs were discovered when digging was done on the compound.

CPP Leader Interviewed on Changes in Strategy

HK2001061593 Manila THE MANILA CHRONICLE in English 19 Jan 93 p 5

[First of a two-part interview with Ricardo Reyes, allegedly "secretary general" of the Communist Party of the Philippines, by Chay Florentino-Hofilena; place and date not given—passages within slantlines are interviewer's questions, published in boldface]

[Text] A new coalition, if not a new formation in the Left, may emerge in the near future because of the differences among the top leadership of the Communist Party of the Philippines [CPP]. The past weeks have seen acrimonious exchanges between the dogmatic Jose Maria Sison, alleged CPP chairman, and three of his comrades, Ricardo Reyes, Romulo Kintanar and Benjamin De Vera.

Reyes, branded by the military as the secretary-general of the Central Commitee, speaks candidly about the falling out with Sison and presents his own analysis of the problems seriously ailing the CPP. The clamor—as was in Eastern Europe—is for greater democracy, he tells **Chay Florentino-Hofilena**.

What were the dynamics of the reexamination process that you called for regarding the ideological, political and moral framework of the movement?

First it was about tactics and approaches before Edsa [Epifiano de los Santos Avenue]. It started before Edsa. (There was the question): "What are you going to do with the hundreds of thousands of people marching in the streets calling for the overthrow of the dictator?" We have a tactical framwework—to overthrow the dictatorship, you have to rely mainly on the armed struggle. It is the armed struggle based in the countryside that could break the backbone of the Armed Forces of the Philippines [AFP] (and) that will be decisive in defeating and overthrowing the dictatorship...Sa amin [For us], insurrection is an end game. Once the people's army breaks the backbone of the AFP in the countryside, then and only then should the movement prepare for an uprising in the cities...it's a finishing blow. Biglang nagkaroon ng isang [There suddenly emerged] development. The development of the mass movement in the urban areas had outstripped the development of the armed struggle and was heading for a direction of directly overthrowing the dictatorship itself, and that is what happened in 1986. Sa [In] Mindanao in 1983, after the Aquino assassination, Mindanao Commission Iyong ndnawagan ng [was the one who said] "Let's prepare for an antifacist uprising," but it was rejected. Kaya noong mangyari ang Edsa, nagkaroon ng malaking—hindi lang quarrel, malaking struggle. Lalo na noong nag-boycott pa, dahil [That is why when Edsa happened, there was not just a big quarrel but also a big struggle, especially when there was a boycott, because] if you are very keen about what is happening in the urban areas, hindi ka pupwedeng mag-boycott. [you cannot boycott] Nevertheless the decision taken was boycott dahil ganoon iyong [since it was the] framework...that was the first time where the issue of uprising became an important element of this debate.

Afterwards, during the Aquino government, the next question was, "What is your attitude towards this government? What kind of government is this? How are you going to deal with the democratic space that has opened up?" Ang traditional framework diyan [there] is, "Its a reactionary government, nagkaroon lang iyan ng mga [there were just] cosmetic changes nagkaroon ng konting [there occurred little] openings only to deceive people." So the natural tendency is, "Huwag mong pasukan iyan." [Do not enter] Even if there are spaces available within Lao na'ang [Especially that] parliamentary struggle naging parang [became like] taboo. We have almost defaulted from engaging in a real parliamentary process which, in other dynamic revolutionary movements abroad, hindi iyan tinitingnan [is not seen as] exclusive of one another. All forms of struggle should be used...That is again another question of tactic.

After some time, umabot na iyong struggle [the struggle reached] for more than 20 years. We had not even reached a stalemate after 20 yeras. A whole generation has aged...Halimbawa kami, nang sumama ako diyan, 18 years old; ako, ngayan 42 na ako, ni hindi pa nakakatabla...Kami nila Rolly (Kintanar), nina Benjie (De Vera), nila Satur (Ocampo), ganoon kami...Noong teenager kami hangang diyan nasa underground kami [us, for example, when I joined I was 18 years old; I am now 42, and have not even equalized...I, together with Rolly (Kintana), Benjie (Dever) Satur (Ocampo), we were like that...since we were teenagers we were there in the underground.] We have been leading a very abnormal life...Naturally, from our generation of fighters and revolutionaries would emerge the question, "Te ka, tama nga ba iyong ating strategic direction? [Wait, is our strategic direction correct?] After more than 20 years, mukhang, parang malabo pang manalo. Bakit ang mamamayan hindi tayo sinasamahan at parang hindi na nakaka-capture ng [it looks like it is difficult to win. Why don't the people sympathize with us and we cannot capture the imagination of the younger generation-?...There is that waning appeal. Reflected iyan very clearly sa data. [That is clearly reflected in the data.]

Pakaunti ang mga nage-NPA, pakaunti nang pakaunti ang naga-underground, [less and less are joining the New Peoples Army, less and less are joining the underground] especially the best and the brightest of the generations na sumunod noong [that followed in the] 80's and 90's. That is fatal for a revolutionary movement, if you fail to inspire the young. Pag tumatanda ang rebolusyonharyo, iyan ang death knell dahil pag tumatanda ka, nagmemellow ka na...hindi ka nakakasabay sa takbo ng panahon. So ang sabi namin, [when a revolutionary gets old, this is just like death since if you get old, you mellow down...you cannot go with the times, and so we say.] "Let us reexamine the strategy of encircling the cities from the countryside."

Ang dami-dami pa namang [There are a lot of] phenomenon. More and more areas of the country are being penetrated by foreign monopoly capital or local capital. Philippine agriculture today is very much different from the Philippine agriculture of the 60's...The main form of surplus extraction is no longer rent, but capital extraction. This is indicated by a growing urbanization of the Philippine countryside...Nagkakaroon ng mga changes sa class structure ng Pilipinas. It's not as simple as iyong sinasabi ni Joma na 70% peasants, 20% workers... hindi na ganyan, eh. Ang laki-laki noong landless people in the countrysides now—dahil nga sa du madami ang population, the traditional system could no longer absorb employment at pumapasok pa ang mga agribusiness, mga commercial crops, export crops.

Ang daming bilang ng mga tao sa probinsya ang jobless, wala na iyong tinatawag na one-status peasant, iyong kasama lang—now there are three, four, five status peasants...Ang laki-laki ng chunk ng mga overseas workers...[Many in the provinces are jobless, we do not have what we call one-status peasants, only a comparison—now there are three, four, five, status peasants...There is a big chunk of overseas workers...] There were changes in the Philippine class structure. It's not as what Joma (Jose Maria Sison) said that 70 percent are peasants, 20 percent are workers...This is not so anymore. There are a lot of landless people in the countryside now. Because of increasing population, the traditional system could no longer absorb them and employment and agribusiness has flourished together with commercial and export crops.

Now how would you classify them?...A big strata of the middle class own small export-oriented industries with a lifespan of three to four years, depending on the vagaries of the export market. What kind of people are these? What is their political behavior? How do you look at the program of the National Democratic movement? There is nothing in the NDF [National Democratic Front] program that applies to these people...

Then you have a growing middle class that is very assertive of their own identity, of their own rights and the way they articulate what's going to be the vision of a better Philippines, na hindi naman naka-capture ng progrfam ng NDF. [The NDF program cannot capture] So it is a kind of framework no longer attuned sa panahon at parang nagiging isa kang [to the times and you become like a] remnant of the past. Your terminologies can no longer be understood. Pag nagsalita ka, parang hindi ka na dapat pakinggan dahil [when you speak, it seems like you should not be heard because] anyway, we know what you're going to say.

What did you want in particular?

What we were asking Joma in particular was, let us first look into Philippine society again, the concrete, the real Philippine society it exists... Through the years, the Filipino nation has become more and more a real thing, nade-develop ang national consciousness ng mga pinoy-...[The Filipino national consciousness is developing.] We have have a distinct national culture that is being formed. Hindi ito nakikita. Kaya't pag nagsasalita, at siya (Joma) ang isang masasabi nating example, pag ngassasalita siya, hindi siya naiintindihan ng ordinaryong tao. Ang layu-layo niya kay Ninoy. [That is why if he speaks, for example, the ordinary person cannot understand him. He is too far away compared to Ninoy (Benigno Aquino).]

So we said, let us look at the changes in class structure, in society, the values of the Filipino people. All these should enter if you are interested in transforming this country into something better. Kung hindi, magtiklop na tayo't umuwi na rin tayo [If not, let us fold up and we shall also go home]. That was 1988.

How pervasive is that analysis and viewpoint in the movement?

It's strong in the cities and the urban areas and among a good number of FQS (First Quarter Storm) generation of the 1970s. I think, malaki, [most] if not majority.

What are the other factors that contributed to this thinking?

In 1989, the socialist regimes in Europe collapsed. That sparked another debate. Sabi namin [We said], "Let's reexamine socialism as it was applied, especially under Stalin. Let's even go back to Lenin and even look back at Marx." Actually, the scientific tradition of Marxism was so strong during the time of Marx, but something happened along the way na naging para siyang [it became like a] dogma. In science, when you have a theory, that's theory. It becomes reality only if applicable in practice. And then there is no such thing as permanent theory because things change and therefore, theories must change. Sabi namin, "Let's see what happened. Ano ba talaga ang nangyari? [What really happened?]"

Mukhang lumilitaw na lesson sa experience ng Eastern Europe at Russia ay ganito [This seems to be a lesson learned from the experience of Eastern Europe and Russia]. In an attempt to establish an egalitarian society, everything was controlled, everything was managed. And the manager of the society happened to be the Party. That party was not elected by the people. So (in the case of Eastern Europe and Russia) it became a whole authoritarian structure ... The core of the question kung bakit bumagsak iyan [is why it flopped]: the lack of democracy.

People are being taught they are now the masters, the owners of society, that's why it's called socialist—the public ownership of the means of production....and yet they have no right to vote. They do not control their enterprises. They do not have a say in policy-making in government. They do not have even freedom of expression ... Pag-ganoon kasi, iyong demands ng mamamayan hindi mo na naiintindihan [Since if it were so, you would not understand the people's demands]. More and more the government becomes alienated, the Party becomes more and more alienated, therefore, it becomes more and more tyrannical.

So you reject Joma's analysis that revisionism is the cause of downfall of socialist governments in Eastern Europe?

Kaya sinasabing [That is why it is called] revisionism, first, you have a theory about socialism. In the course of time, ang ginawa ng mga Soviet parties at saka ng mga Eastern European parties [What the Soivet parties and the Eastern European parties did], they made certain changes in recognition of the problems and changes taking place. Ang scientific approach diyan dapat talaga, tama ba na may mga certain changes and then, ano iyong dapat na pag-adjust diyan? Iyong adjustments bang iyan [A scientific approach must really ask, is it correct to have certain changes and then, how should you adjust to them? Those adjustments], did they serve the cause of expanding the power of the people over their own lives which is the socialist thesis after all? Kung hindi, dapat baguhin mo. Kay Joma, ang ginawa niya, this is the theory, iyong sinasabi niyang naging problema ay iyong mga binago sa [If not, you should change them. For Joma, what he did, this is the theory, the problems he mentioned are those that were changed from the] original theory. And yet this theory should be tested in practice and not the other way around. There is something very unscientific about that formulation. Theory must be tested by practice, by life, by experience.... Sabi nga namin sa kanya [We even told him], "The flaw in your analysis is fundamental. Hindi lang simpleng [not just simple but a] major error, fundamental flaw."

Junior Officers Threaten Further Rebellion

HK2101040693 Manila THE MANILA CHRONICLE in English 21 Jan 93 pp 1, 8

[Report by Frank Longid Jr. and Maricor Zapata]

[Text] Junior military officers denounced alleged lack of professionalism, favoritism, graft and corruption, and sexual harassment against female military personnel as some of the military's most serious problems during a no-holds-barred dialogue with officials of the National Unification Commission (NUC) yesterday.

The closed-door meeting at Camp Aguinaldo was primarily aimed at sounding out the AFP [Armed Forces of the Philippines] rank and file on the issue of reintegrating soldiers who took part in coup attempts against the government. But the young officers were emboldened to speak out and submit a position paper after getting encouragement from the NUC officials led by Haydee Yorac.

Other NUC members at the meeting were Sen. Rodolfo Biazon and Representatives Jose Yap and Eduardo Ermita.

The junior officers (lieutenant to captain) warned that mutinies would happen again if the "roots of the rebellion" were not addressed and reforms not undertaken.

One junior officer who spoke at an open forum after the presentation of the position paper said that graft and corruption "emanates from the top."

The officer singled out the AFP's Office of Ethical Standards and Public Accountability (OESPA) for "not having the guts to report anomalies for fear of losing their jobs."

"Nagbubulag-bulagan na lang sila [They played blind]," another officer said of the OESPA. He said the office could be reformed if personnel were given "security of tenure."

They also complained about senior officers' "the lack of will to go after scalawags."

"Our senior officers have no monopoly of the intellect and wisdom to determine what ought to be done. In fact, some of them have made a mockery of professional conduct. We need to have our voices heard, for in the end we will inherit this Armed Forces," said the position paper.

The authors of the paper stressed the need to address "poverty and injustice," which they felt was what "drive the poor to join the New People's Army [NPA] ... to them it is a means to redress whatever grave injustice has been done to them by their abusive landlords or employers."

They said that to make the soldier truly professional, the government should address his grievances on salary and benefits, promotions, housing, health services, training and education, family support, supplies and ethical standards.

Biazon spoke to reporters after the consultation, but only on the issue of the return to the military roster of former renegade soldiers.

He said that everyone in the meeting seemed unanimous on the granting of amnesty to the former rebels, but that the issue of reinstatement was something that "might be studied more."

Yorac, speaking later in the day before the American Chamber of Commerce (AmCham), said they planned to consult more sectors of the military on the issue.

Yorac noted that some of the rebel leaders, like Gregorio "Gringo" Honasan and Domingo Calajate, had reached their retirement period. But she said other rebel officers had expressed their desire to be reinstated.

She said whatever recommendations the NUC would submit to the President by March 16, these should "reflect the vision not only of the government, the RAM [Reform the Armed Forces Movement], MNLF [Moro National Liberation Front], MILF [Moro Islamic Liberation Front], NDF [National Democratic Front], CPP [Communist Party of the Philippines], NPA [New People's Army], or the military, but of the majority of the Philippine society."

Yorac also told the AmCham members she was glad to hear "candid opinions" from the junior military officers.

She said the young soldiers, which she described as the most delicate and critical components of the military, had complained about inequitable distribution of duties, conflict-creating system of promotion, and even sexual harassment of female military personnel.

"In that meeting, we promised to address these concerns," Yorac said.

Gen. Lisandro Abadia, who came to the Camp Aguinaldo meeting at its final hour, said he appreciated the candidness of the young officers and promised to address their grievances. Before going into the meeting, Abadia told reporters, "I want them to speak their minds. Walang guidance galing sa akin [no guidance from me]."

At the end of Yorac's speech, AmCham first vice president and director Demetrio Salipsip said AmCham was glad to be reassured of the political situation in the country.

Government, Military Rebels Name Panel Members

HK2201130593 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 22 Jan 93

[Text] The composition of the government and rebel soldiers peace panels has been announced. The report from Vic de Leon Lima:

[Begin De Leon Lima recording] The following officials represent the government in its talks with the Nationalist Revolutionary Alliance-Soldiers of the Filipino People-Young Officers Union [RAM-SFP-YOU]: Professor Alfredo Tadiar of the University of the Philippines College of Law, acting as the chairman; Deputy Director General Manuel Roxas, acting as representative of the Department of Interior and Local Government and the Philippine National Police; Commodore Armando Madamba of the Department of National Defense and Armed Forces of the Philippines; and Melchor Sadang acting as representative of the Department of Justice.

On the RAM-SFP-YOU's side, the panelists are former Brigadier General Edgardo Abenina as chairman; Colonel Proceso Maligalig, ex-Major Jess Paredes, Ex-Captain Danilo Lim, and ex-Lieutenant Colonel Billy Bibit as members.

In her initial statement, National Unification Chief Haydee Yorac said she hopes the peace talks between the two sides will result in something beautiful. Although the official venue has not been named and no date has been set for the formal peace talks, Yorac said the two sides will talk about this.

For his part, ex-Brigadier General Edgardo Abenina said he hopes the talks will be successful. He added that they will fully cooperate with the government panel in discussing the talking points.

Government panel Chairman Alfredo Tadiar said everything will turn out well if both sides are determined to achieve peace in the country. [end recording]

Begin Peace Talks 22 Jan

HK2501040693 Manila PHILIPPINE DAILY INQUIRER in English 23 Jan 93 pp 1, 6

[Report by Juliet Labog]

[Text] Government representatives and rightist military rebels began talking peace yesterday, part of a three-pronged official effort to reconcile with all dissident groups in the country.

The talks are intended "to fix Philippine history, to set it aright, to mend it, to heal what history has fractured and broken and given us so much pain," said law professor Alfredo Tadiar, head of the government panel.

Former Brig. Gen. Edgardo Abenina, chief of the rebel panel, said: "We assure our people and the government that we are indeed sincere in coming to this table to talk."

Optimism marked the day as both sides expressed mutual satisfaction over the composition of each panel.

Abenina described members of the government panel as "reasonable and logical men."

For his part, Tadiar said: "I believe General Abenina and myself will possess the patience and the determination to make the talks come to a successful conclusion."

The talks are the first to be organized by the National Unification Commission [NUC], a government body formed by President Ramos to bring all insurgent groups to the negotiating table.

A sizeable crowd packed the conference room of the Philippine Heart Center, where the opening rites were held.

Negotiations for similar formal talks are still to be firmed up with the left-wing National Democratic Front and the separatist Moro National Liberation Front.

NUC head Haydee Yorac said the opening of the peace talks showed that sharp differences could be resolved peacefully.

The substantive work won't begin until Jan 29.

Tadiar, the government's chief negotiator, is an uncle of former Brig. Gen. Arternio Tadiar, identified with the Marcos loyalist rebel group led by former Brig. Gen. Jose Ma. Zumel.

The same government panel will deal with Zumel's group.

Yorac asked the peace negotiators to try to work for the compensation of people killed or wounded in coup attempts.

More than 200 people were killed in the bloody 1987 and 1989 coups. Hundreds others were wounded.

"Among the important matters of concern to a substantive part of the Philippine community is the issue of providing for the victims of internal armed conflicts," Yorac said in a 10-minute speech.

"We want to press this because we want to emphasize that the public is not outside of this discussion.

"In the long run, it will be the people who will judge what we tried to do in these negotiations."

She urged the two panels to use "good faith, reasonableness and love of country and people" as the guiding spirit of the negotiations.

In Tagum, Davao del Norte, former President Corazon Aquino, against whom military rebels had mounted at least six coup attempts, said reconciliation with rebel groups should be based on justice.

She dodged reporters' questions on how she felt about the release from detention of several military rebel leaders and the surfacing of coup leader Gregorio Honasan.

"I have always been for reconciliation," Ms. Aquino said, "(But) reconciliation should be based on justice, and I hope this will be borne in mind (by the National Unification Commission)."

"I wish (the NUC) all the best," she added.

Abenina said he did not foresee a long and tedious process.

Tadiar was more cautious.

"Negotiations are hardly simple and easy," he said.

"There will be points of differences, and therefore it is a question of forbearance, patience and determination to make negotiations come to a fruitful conclusion."

The military rebels have presented five "talking points" concerning electoral reforms, good government, military reforms, economic policies and social justice programs.

Tadiar said they might first try to reach agreement on the "least controversial issues" and thus give momentum to the peace negotiations.

Aside from Tadiar, the other members of the government panel are Philippine National Police Deputy Director General Manuel Roxas, representing the Department of Interior and Local Government; Commodore Armando Madamba, defense department; and Fiscal Melchor Sadang, justice department.

With Abenina in the rebel panel are ex-Lt. Col. Billy Bibit, ex-Capt. Danilo Lim, and ex-Col. Jesus Paredes, a lawyer.

Also present at the opening rites were Bishop Fernando Capalla, NUC vice chairman; and other NUC members, including Feliciano Carino, secretary general, National Council of Churches of the Philippines; Sen. Rodolfo

Biazon, former AFP [Armed Forces of Philippines] chief of staff; and Rep. Eduardo Ermita, former defense undersecretary.

In an interview later, Abenina said the Rebolusyonaryong Al-yansang Makabansa [Nationalist Revolutionary Alliance] (RAM) had the "flexibility to look, seek other ways" of pursuing its goals should it not be satisfied with the government's position.

Ramos Hopes Talks Continue Despite CPP Threat

HK2501105193 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 25 Jan 93

[Text] President Fidel V. Ramos has expressed today high hopes that the formal peace talks between the government and leaders of the Communist Party of the Philippines-New People's Army-National Democratic Front [CPP-NPA-NDF] will push through despite threats made by CPP founding chairman Jose Maria Sison not to join the talks. Sison accused the National Unification Commission [NUC] of attempting to negotiate with local rebels. The NUC, Ramos added, is currently consulting with former priest Luis Jalandoni who is the authorized NDF representative to the peace talks.

Meanwhile, the NUC has shrugged off threats made by Sison that his group would withdraw from the peace process should the government attempt to negotiate with local leftist groups. Presidential spokeswoman Annabel Tecson Abaya said Sison's allegation that the Ramos administration is funding a leftist organization to oppose Sison's group is false.

NUC chairwoman Haydee Yorac said the unification body has been continuously negotiating with NDF chairman Luis Jalandoni.

Correction to Officials Voice Opinions

HK2501105093

The following correction pertains to the item headlined "Officials Voice Opinions on Clinton Presidency", published in the 22 January East Asia DAILY REPORT on pages 37-38.

Page 37, column two, last paragraph, make subslug read: [Remarks by presidential spokesperson Annabelle Tecson-Abaya; Press Secretary Rodolfo Reyes; Colonel Romeo Odi, chief of the Western Police District; Senator Wigberto Tanada; Senator Edgardo Angara; and Sorsogon Congressman Bonifacio Gillego, on possible effects of the Clinton administration on the Philippines; place and date not given; first two paragraphs are announcer's introduction; from the "ABC-DWET News Program"—recorded; in English, except where indicated] (supplying names and positions of officials);

Page 38, column one, third paragraph, make read: [Begin recording] [Abaya] we have kept.... (identifying speaker);

Same page, same column, fourth paragraph, only sentence make read: [Reyes] I think we'll.... (identifying speaker);

Same page, same column, fifth paragraph, make read: [Odi in Tagalog] I think there will.... (identifying speaker);

Same page, same column, sixth paragraph, make read: [Tanada] With the removal.... (identifying speaker);

Same page, same column, seventh paragraph, make read: [Angara] We'll have to.... (identifying speaker);

Same page, same column, eighth paragraph, make read: [Gillego] American interests would.... (identifying speaker).

Angara To Be Installed as Senate President

HK1801093593 Manila MANILA BULLETIN in English 18 Jan 93 p 1

[Report by Olaf Giron]

[Excerpt] The Senate will install today its third president—Sen. Edgardo Angara—since Congress reopened its doors in 1987 and reorganize the hierarchy's officialdom under the Ramos administration.

At 3 p.m., outgoing Senate President Neptali Gonzales will declare open the session of the Senate and relinquish the chair to Senate President Pro Tempore Ernesto Maceda.

Gonzales will then take the floor and deliver a valedictory speech formally submitting his resignation as Senate president. He will than endorse Angara of his own Laban ng Demokratikong Pilipino [Struggle of Filipino Democrats] (LDP) to succeed him.

This is the scenario proposed by Gonzales himself and conforms to the gentleman's agreement he had with Angara last Dec. 18 at the Philippine Plaza Hotel, Sen. Blas F. Ople said.

Angara, at that time, presented a resolution that a majority of the senators belonging to the LDP—12 out of 15—favored a reorganization of the upper chamber.

Gonzales, on being able to see for himself the signatures of a majority of his LDP colleagues, agreed to step down but he asked that the announcement and its timing be left to him. He also agreed, with reluctance, to nominate Angara.

Ople said President Ramos had no hand in the leadership change, although he probably learned of the forthcoming reorganization earlier that same day from his sister, Sen. Leticia Ramos Shahani.

"But I could detect his relief that the Lakas members would now form part of the ruling majority, and would have their share of committee assignments," Ople said.

The new Senate president pro tempore will be incumbent Minority Leader Teofisto Guingona Jr. Present Senate President Pro Tempore Ernesto Maceda of the Nationalist People's Coalition (NPC) will retain the chairmanship of the Blue Ribbon Committee, membership in the Commission on Appointments (CA) and the accounts committee.

Majority Leader Alberto Romulo, who backed Angara during the voting is expected to retain his post. Gonzales who is also LDP president, has announced that Sen. Wigberto Tanada (Liberal Party) would be the next minority leader taking over from Guingona.

The deposed Senate President said that be and Tanada will play the role of opposition to the administration and the new Senate majority adding Tanada is in danger of losing his seat in the CA when he becomes minority leader. [passage omitted]

Senate Appoints Committee Chairmen

HK2201064093 Manila MANILA STANDARD in English 22 Jan 93 p 7

[Report by Fel V. Maragay]

[Text] The new coalesced majority in the Senate, led by chamber President Edgardo Angara, yesterday started parcelling the "spoils" of victory by appointing the chairmen of more than 40 permanent and temporary committees.

The juiciest committee assignments went to Laban senators who cast their lot with Angara from the very start.

Two of Angara's Laban partymates—Agapito Aquino and Heherson Alvarez—who had opposed the leadership revamp—were "punished" by stripping them of their "flagship" committees.

Aquino was deprived of the committee on agriculture and Alvarez the committee on public services. Alvarez' committee on energy and environment was emasculated. Under the reorganized set-up, the energy aspect was lopped off from Alvarez' committee.

Aquino and Alvarez were the last "holdouts" in the camp of ousted Senate President Neptali Gonzales.

The chamber deferred its decision on a proposal of Sen. Arturo Tolentino for every senator, regardless of political party or affiliation, to chair at least one committee.

Tolentino asserted that committee chairmanships should not be considered "spoils to be divided among the victors" but "responsibilities which all of us must share."

He argued that all senators will cooperate in the work of the Senate if they are given their own committees.

His proposal, however, was rejected by Sen. Ernesto Maceda, who said this may have the effect of erasing the distinction between majority and minority.

"The position of minority floor leader will become irrelevant and we may as well abolish it," Maceda averred.

During the floor debates on the Tolentino proposal, Minority Leader Wigberto Tanada stood up to clarify that he was not interested in any committee.

The majority also respected Gonzales' decision not to accept any committee. He is bent on discharging his role as opposition to the Senate majority and the Ramos administration.

The committee assignments are:

Alberto Romulo—rules

Orlando Mercado—national defense and security; science and technology.

Ernesto Herrera—ways and means; labor and employment; ad hoc committee on illegal drugs.

Blas Ople—foreign relations; civil service and government reoganization.

Raul Roco—justice and human rights; banks, financial institutions and currencies; ad hoc committee on Bicol region.

Ernesto Maceda—finance; blue ribbon; accounts.

Freddie Webb—health; games and amusements.

Vicente Sotto III—local governments; tourism.

Ramon Revilla—public works and highways.

Rodolfo Biazon—housing, resettlement and urban planning; ethics; peace, reconciliation and unity.

Gloria Macapagal-Arroyo—economic affairs; trade and commerce; ad hoc committee on Central Luzon.

Leticia Ramos-Shahani—education.

Anna Dominique Coseteng—women and family relations; cultural communities.

Francisco Tatad—public information and mass media; energy, and natural resources.

John Osmena—public services; rural development.

Arturo Tolentino—electoral reforms and people's participation; social justice, welfare and development.

Jose Lina Jr.—constitutional amendments and revision of codes and laws; youth and sports.

Santanina Rasul—agriculture and food; ad hoc committee on autonomous region of Muslim Mindanao.

Agapito Aquino—government corporations and public enterprises.

Heherson Alvarez—agrarian reform; environment.

Teofisto Guingona Jr.—ad hoc committee on Mindanao affairs.

Still unified are the ad hoc committees on cinema affairs, cooperatives, Bataan nuclear power plant and AIDS (acquired immune deficiency syndrome).

Tolentino questioned the "proliferation" of ad hoc committees which may unncessarily add up to Senate expenses. But he said he was not objecting to the creation of ad hoc committees for the development and rehabilition of various regions.

"I am sold to the idea that this will focus public attention on the need to hasten the development of certain regions," he said.

Based on Senate rules, each permanent committee will have a monthly appropriation of P250,000 [Philippinse pesos].

The third committee assigned to a senator whether it is permanent or ad hoc, will have no corresponding appropriations.

All new committee assignments will take effect Feb. 1.

Growth Targets Retained Despite IMF Fears

HK2201061093 Manila MANILA BULLETIN in English 22 Jan 93 p B-1

[Report by Micheal M. Alunan]

[Text] The government will stick to its "growth-oriented" macro-economic targets, despite the International Monetary Fund's (IMF) insistence these be scaled down, the National Economic and Development Authority (NEDA) said.

Dr. Dante B. Canlas, NEDA deputy director-general, disclosed yesterday the government was standing pat during an economic forum even as he cited "other factors" and variables apparently not taken into account by economietric models used in forecasting growth rates.

Factors like political stability, renewed confidence, growth in agriculture, development of industrial estates like Subic, Calabarzon, pump-priming, etc. should be considered in the overall projections, he suggested.

Canlas also told economists at the forum, entitled "Philippine Economic Lookout. The Economy in 1993 and Beyond; New Hopes, Old Dreams", that delays in the negotiations for a new program with the IMF would not really have any effect on the economy. Talks were supposed to start last Jan. 20, but have been moved to sometime in February.

Former Socio-Economic Planning Secretary Cayetano Paderanga Jr., on the other hand, observed that the stabilization program was over and the country needed to pursue a growth-oriented program with or without the IMF.

"Even if the negotiations are delayed for six months, we could go ahead with our own program," he said.

IMF resident representative Christopher Browne himself admitted the delays in the negotiation for a new program would not affect the inflow of official development assistance (ODA). Neither should it impact heavily on scheduled talks on debt restructuring with the Paris Club, composed by government to whom the country is indebted.

Canlas said even Finance Secretary Ramon del Rosario would abide by the government—even if this would mean extra effort to raise more revenues.

Browne and IMF Asian department director Kunio Saito, in a recent call on President Ramos, supported government's pump-priming plans and lauded efforts to keep inflation in check.

However, while Browne conceded that pump-priming efforts should be pursued, macro-economic targets should be scaled down to make them more realistic.

Government economic managers have, on the other hand, contended that pump-priming precisely would be aimed at enabling the economy to realize the growth targets set for it.

Browne noted, nonetheless, that pump-priming or the growth-oriented Medium-Term Plan should be complemented by more taxes and the privatization of government assets.

Garments Country's Top Export for 1992

HK2201101393 Manila BUSINESS WORLD in English 22 Jan 93 p 14

[Report by Ester S. Vea]

[Text] Garments again dislodged electronics as the country's top export.

In the first 11 months of last year, the country earned a total of $8.81 billion from exports, reflecting a 9.9% growth rate from $8.02 billion in the same period in 1991. Along with this, however, was a 19% hike in imports to $13.16 billion, data from the National Statistics Office show.

Last November, exports went up 8.1% to $812 million from $751 million a year earlier but declined 4.5% from the previous month's level.

During the same month, earnings from exports of apparel and clothing accessories recorded a 33.1% increase to $193.65 million. Electronics and components, which came second, earned for the country a total of $151.14 million. Other top exports include woodcraft and furnitures, $26.85 million; coconut oil, $23.90 million; ignition wiring sets and other wiring sets used in vehicles, aircraft and ships, $20.69 million.

Exports of copper cathodes also fared as they posted the second biggest rise of 24% to $17.33 million. [sentence as published]

On the other hand, earnings from petroleum products, coconut oil and shrimps and prawns reflected the biggest declines by 38.9% to $13.09 million, 38.4% to $23.90 million; and 32.2% to $18.61 million.

The sluggish export growth during the period in review was attributed to the appreciation of the local currency against the U.S. dollar. Although the strong peso cheapened the value of imports, export earnings also weakened.

In fact, highly indigenous export industries like food processing, which depend on locally sourced raw materials, suffered setbacks in export sales. On the other hand, electronics and semiconductors and garments, which are import-dependent export industries, continued to experience growth since they were able to offset their losses from export earnings due to lower production costs.

of late, government officials said the Philippines still stands a chance of penetrating the trade bloc created by the North American Free Trade Agreement (NAFTA) through increased exports to Mexico. Philippine exports like garments, agricultural commodities such as rice, coconut and its by-products, and sugar are reported to have good market potentials in Mexico. Aside from these, copra, citric acid, fruit flavorings, car speakers, magwheels [as published], cable and TV monitors, Christmas decor, kitchenware and home furnishing are also in demand in the said country.

This ran contrary to local businessmen's fear that the implementation of the NAFTA could reduce Philippine exports to the said region.

MAJOR PHILIPPINE EXPORTS

November 1992 & 1991—Value in U.S.$ million (F.O.B.)

	1992	1991
Electronics and components	151.14	152.18
Articles of apparel and clothing accessories	193.65	145.52
Coconut oil	23.90	38.77
Shrimps and prawns, fresh, chilled or frozen	18.61	27.44
Woodcraft and furniture	26.85	25.78
Petroleum products	13.09	21.43
Bananas (fresh)	15.14	17.16
Ignition wiring sets & other wiring sets	20.69	16.95
used in vehicles, aircraft and ships		
Pineapple and pineapple products	15.62	16.79
Cathodes and sections of cathodes, of refined copper	17.33	13.98
Others	315.61	275.08
TOTAL	811.63	751.08

Source: National Statistics Office

Thailand

Prasong Foresees 'Smooth' Relations With U.S.

BK2501145893 Bangkok Radio Thailand Network in Thai 1200 GMT 25 Jan 93

[Text] Foreign Minister Squadron Leader Prasong Sunsiri said after the official inauguration of U.S. President Bill Clinton that he believed U.S.-Thai relations would remain smooth because the two countries have long had friendly relations. He said existing problems between the United States and Thailand—over copyrights and drug patents, for example—would be thrashed out by concerned authorities of the two countries through negotiations. Although President Clinton stressed that his policy will focus on solving U.S. economic problems and trade deficits, Prasong said this should not affect the overall relations between Thailand and the United States.

Prasong Backs Miyazawa Plan for Indochina

BK2301020993 Bangkok THE NATION in English 23 Jan 93 p B1

[Text] Foreign Minister Prasong Sunsiri yesterday welcomed the proposed tripartite initiative to reconstruct the war-plagued economies of Laos, Cambodia and Vietnam.

The initiative, involving Japan, Asean and Indochina, was mooted last weekend by Japanese Prime Minister Kiichi Miyazawa.

It calls for Asean's active involvement in Vietnam, Laos and Cambodia, with Japan providing the bulk of the financial and technical assistance.

Miyazawa's efforts are expected to start in Oct or Nov this year, and will involve the bringing together of an international forum of development experts to pool information.

Prasong's solid backing for the Miyazawa plan was the first ever official response from the Thai government to be delivered to a major, non-government audience.

The foreign minister was speaking at a luncheon organized by the Joint Foreign Chambers of Commerce.

"Japan's initiative points to a very important framework for regional cooperation," he said. "I am keen to see the increased joint effort (between Asean and Japan)."

Prasong added that Thailand needs to ensure that the interests of the three Indochinese countries and of Thailand become "inseparable." To achieve the end, he said, it would be necessary to develop basic infrastructure, namely Indochinese roads, railways, and financial institutions.

"All the development plans will be carried out, not for the benefit of any one party, but the mutual benefit of all," he said, adding that later on other countries may also be helped.

Prasong also urged the major countries negotiating at the Uruguay Round of international trade talks to end their conflict and bring the round to a successful, speedy conclusion. The Thai position, he said, has always been to favour an open world trading system.

Thailand has long relied on free trade forces, as foreign trade last year accounted for 70 per cent of overall gross national product.

It was aided by a liberalized financial sector, which enabled Thailand to become a regional financial centre, he said.

"Our foreign economic policy will not stray from this course," Prasong said. "Our future prosperity depends on an open trading system."

And commenting on the Bill Clinton administration in the United States, the foreign minister acknowledged the ongoing trade friction between the two countries, but suggested a compromise could be worked out.

"Trade will continue to be on the front-burner of Thai-US relations," he said. "That is unavoidable, but we can manage to prevent it from getting out of hand."

Prasong cited growing Thai recognition that compliance with intellectual property right laws was necessary to enable its industries to become more competitive and productive.

He said he believed the Clinton administration would continue trading in the Asia-Pacific region, despite widespread talk of a more protectionist and inward-looking America.

"I am sure that US policy makers realize the linkage between domestic and foreign policies," Prasong noted.

He also asked for enhanced and deeper cooperation from the 15-member Asia-Pacific Economic Cooperation, which should also seek to "expand its economic dialogue," he said.

Government Moves on Regional Economic Cooperation

BK1401014793 Bangkok THE NATION in English 14 Jan 93 p A2

[Text] The Thai government has moved in earnest to formalize economic cooperation between Thailand, Laos, Burma and southern China despite potential security problems. At a meeting at the Foreign Ministry yesterday all Thai agencies concerned, including the National Security Council expressed their readiness to back up this sub-regional framework, said officials who attended the meeting.

The meeting was called to plan strategies to tap the vast economic, trade, natural resources, energy and tourism potential in the area—including Yunnan province, which has had the highest growth rate in China for the past three years. China intends using its southern gateway to expand economic cooperation with the rest of Southeast Asia under a new initiative called "Open Door to the South".

The meeting, the first of its kind, was aimed at coordinating and consolidating the Thai position on subregional cooperation, in both government and private sectors, before negotiating with the other three participating countries. Plans for economic linkage in the area have long been on the drawing board but always lacked concerted government support, especially from security-related agencies along the Laotian and Burmese borders with Thailand.

Deputy Foreign Minister Surin Phitsuwan, who chaired the meeting, said discussion focused on both the likely benefits and possible implications for Thailand. It identified as priorities the development of transport links, water resources and tourism. In the future, he said, the area could be transformed into an economic zone with expanded trade, investment and industry. He said a follow-up seminar will be in Chiang Mai on Jan 16-17, which will be be attended by government and private sector representatives from Thailand, Yunnan, Burma and Laos.

To date, progress had been made in upgrading air links with southern China with a recent agreement to increase Thai flights from six to 25 a week. Yunnan Airlines, China Southern Airlines and the Civil Aviation Airline of China (CAAC) would be allowed reciprocal rights into Thailand.

Communication and Transportation was conducting a survey into opening a water route in along the Mekong River linking southern China, Burma, Laos and Thailand as well as looking at developing land routes linking Chiang Rai with Burma's Chiang Tung and China's Jing Hung, and Laos and southern China.

Laos was keen to develop the Chiang Rai-Laos-southern China route as if already had roads travelling in this direction, to increase triangular trade and the tourism link. Surin said the Governor of the Tourism Authority of Thailand also had details of a plan to develop triangular tourism among Thailand, southern China and Laos. It was aimed at attracting foreign tourists from southern China as well as increasing Chinese tourism to Thailand. Laos' old capital, Luang Prabang, would be included in a tour package of northern Thailand and southern China.

"The government needs to put this (project) into practice to ensure general cross-border cooperation," said Surin. Surin said Thailand hoped a fully-fledged Mekong Committee taking in Burma and China in addition to the four lower Mekong basin states—Thailand, Laos, Cambodia and Vietnam—would be operational within a year.

Restructuring of the 37-year-old committee first proposed by Thailand in 1991 had been delayed due to differences mainly between Thailand and Vietnam, over how Cambodia should be brought back into the committee after its temporary departure in 1976.

'Crash' Registration of Cambodian Voters Begins

BK2201100693 Hong Kong AFP in English 0941 GMT 22 Jan 93

[Text] Site 2, Thailand, Jan 22 (AFP)—The United Nations High Commissioner for Refugees (UNHCR) has begun a crash registration of voters for the May elections among the 100,000 Cambodian refugees remaining in Thailand. The crash programme, which began here Monday with the help of 125 temporary staff hired by the UNHCR, is designed to be completed before the U.N.-mandated January 31 deadline for the planned May polls in Cambodia. Some four and a half million voters have already been registered inside the country, and the U.N. is rushing to get all Cambodian refugees still in Thailand back home by March.

Lieutenant General Sanan Khachonklam, chief of Thailand's Cambodian Repatriation Coordination Center, said here Friday that some 60,000 of the 100,000 refugeees remaining in this sprawling refuge esettlement were eligible.

A similar programme, involving the issue of U.N. stamped cards bearing a polaroid photograph and the fingerprint of the bearer, is also under way at Kao I Dang, the only other camp on Thailand's border with Cambodia not yet evacuated. Voting age in the elections, which are being boycotted by the hardline communist Khmer Rouge faction, is 18. The cards bear no markings of an eligible voter's political affiliation.

Five other camps,which held some 260,000 Cambodians, many of them born in Thailand, have been evacuated and razed under the vast repatriation program.

Sanan has invited journalists to watch the process, and said the UNHCR was capable of processing 5,000 potential voters a day which should enable them to beat the registration deadline.

Australia's Evans: KR Unlikely To Disrupt Polls

BK2401101293 Hong Kong AFP in English 0941 GMT 24 Jan 93

[Text] Bangkok, Jan 24 (AFP)—Khmer Rouge strategy paints "a pretty compelling case" for believing they will not try to disrupt elections in Cambodia despite their boycott, Australian Foreign Minister Gareth Evans said here Sunday. Evans, speaking to journalists here on his return from Cambodia, also said he hoped it would be "a matter of days" before dates for a general election and an accompanying presidential election in Cambodia could be announced.

The fact that the hard-line communist faction had not so far made any concerted attempt to disrupt the process of registration of some 4.6 million Cambodian voters pointed to passive non-participation rather than disruption, he said.

Evans said another reason the Khmer Rouge probably would not wreck the polls was the risk of a tougher approach and even possible support for military action against them by the international community.

"They simply no longer have the capability to sustain a full- scale resumption of the civil war," he said.

The Khmer Rouge, whose bloody rule of Cambodia from 1975 to 1979 left about one million dead, has said it will not participate in UN- organised elections in May, arguing that Vietnam still maintains a troop presence in the country.

All signs are that the elections will proceed on course without the Khmer Rouge, and Indonesian Foreign Minister Ali Alatas said before leaving Phnom Penh that the group's boycott decision left them running the risk of "being simply regarded as an insurgency" to be fought after the election.

Evans also took a swipe at what he called "gloom and doom" press reports of the troubles surrounding the Cambodian election plan, saying that "good news" stories such as the smooth voter registration had been largely ignored.

25 Tons of Opium Produced in North

BK1701073893 Bangkok Radio Thailand Network in Thai 0530 GMT 17 Jan 93

[Text] Banphot Piamdi, director of the Narcotics Prevention and Suppression Unit in the northern region, disclosed that the opium-cultivating areas in the 1992-93 crop season in the northern provinces amounted to an estimated 20,000 rai [8,000 acres]. Despite the large acreage, not much different from that of last year, opium production this year will not exceed 25 tons because most of the crop has been destroyed by the authorities since last November and the operation will be completed next month. So far, 4,000 rai of the opium-cultivating area has been destroyed. The majority of the opium growers are hill tribesmen on high mountains in the provinces of Chiang Rai, Phayao, Chiang Mai, Mae Hong Son, Tak, Kamphaeng Phet, and Nan. Most of the opium plantations are located in Omkoi District of Chiang Mai Province and Thasongyang and Mae Ramat Districts of Tak Province.

He expressed his concerned over the opium production in Burma and Laos. Initial estimates put the figure at about 1,700 tons—some 1,500 tons to be produced in Burma.

The authorities encountered difficulties in destroying the opium crop this year because opium plantations are located on high mountains and are divided into small plots. During the operation, authorities must walk into the target areas and cannot afford the use of helicopters due to insufficient budgets.

1992-93 Golden Triangle Opium Output Estimated

BK2101031593 Bangkok BANGKOK POST in English 21 Jan 93 p 6

[Text] Opium output from the Golden Triangle straddling the borders of Burma, Laos and Thailand will be about 1,725 tons for the 1992-1993 harvest season, Northern Narcotics Control Office director Banphot Piamdi said yesterday. He said an estimated 1,500 tons of raw opium is expected to be produced in Burma, 200 tons in Laos and 25 tons in Thailand.

Several hilltribe groups in the provinces of Chiang Rai, Phayao, Chiang Mai, Mae Hong Son, Tak, Kamphaeng Phet and Nan are involved in cultivating opium poppies, said Mr Banphot, who noted that the size of plantations in Thailand had decreased from 22,000 rai in the previous harvest year to 20,000 rai in the current season.

He said opium-poppy plantations are largely grown in approximately 2,000 rai blocks in areas bordering Omkoi District of Chiang Mai and Tha Song Yang and Mae Ramad districts of Tak Province.

Mr Banphot said the Third Army Region, northern police, Border Patrol Police and volunteers had so far been able to destroy about 4,000 rai of poppy plantations this year. The programme to destroy poppy fields, starting in November, is due to be completed in February. However, he said that it was difficult for officials to implement an opium eradication programme as the hilltribe people have moved their plantations to inaccessible areas.

He said they were also growing it in smaller plots scattered in several areas rather than in large plots which are easier to spot during aerial observation by police aircraft. He complained that the small budget provided to the office also made it difficult to carry out the eradication programme.

Meanwhile, Mae Hong Son Police and officers of the Office of the Inspector General on Tuesday night seized 18 kilogrammes of raw opium from three hilltribesmen travelling on a provincial bus. The arrest was the result of a tip-off.

The three suspects were identified as San Ngoemcharoensap, 33, Prayuth (no surname given) 33, and Pahlong (no surname given), 31. All three are from the Black Muser hilltribe.

Japanese Banker Discusses Investment

BK1801063693 Bangkok THE NATION in English 18 Jan 93 p B1

[Text] The next wave of Japanese investment in Thailand and Asean might be in the automobile sector, said Yasushi Kajiwara, the managing director of the Industrial Bank of Japan [IBJ].

Kajiwara came to Bangkok last week to attend the signing of credit facilities and product sales agreements with Thai Olefins Co, one of the three upstream petrochemical units.

IBJ is the financial adviser of Thai Olefins.

A few days before, Kajiwara was in the southern Chinese province of Shenzhen to sign some contracts designating IBJ as adviser to provincial authorities in the implementation of a Thai Olefins project and a subway system.

IBJ, one of the world's largest banks has increased its lending to Thailand in recent years.

It was also one of the eight Japanese banks chosen by the Japanese Finance Ministry to apply for the Bangkok International Banking Facility.

Kajiwara said that Japanese investment in Asean had been on a vertical basis in the past, although this is now likely to move horizontally with the automobile sector taking the lead in production to serve not only Asean but possibly Vietnam, China and India as well.

The majority of IBJ's loans to Thai companies have focused on energy and petrochemical projects. It also hopes to expand lending into infrastructure projects, including Tanayong's mass transit project, and telecommunications.

Kajiwara said that mass transit projects such as those planned by Tanayong and the Shenzhen authorities may not be feasible without subsidies from land development.

He said IBJ is also interested in lending to Thai firms who have started joint ventures in Vietnam.

Previously, IBJ took part in an export credit guarantee syndication on the British pound portion for Esso's refinery expansion project on the Eastern Seaboard.

It also hopes to participate in the lending to the Caltex refinery and the fuel pipeline projects.

Kajiwara expressed caution in answering the question as to when the Japanese economy would recover. He noted, though, that the Japanese economy follows the United States economy with a half-year to one-year time lag.

He predicted that the Bank of Japan may have to reduce its discount rate again within the first quarter of this year to help stimulate in part the Japanese stock market. The Bank of Japan reduced discount rates five times last year.

Cyclically, he said it normally takes the property sector in Japan seven years to recover, five years for banks to settle their non-performing loans and three years for the stock market to recover to previous highs (of 24,000-25,000 points).

The IBJ managing director from Tokyo said the Basel ratio under the new Bank for International Settlement (BIS) rules is affecting the lending position of IBJ but "not as severely" as in other banks.

"A credit crunch might occur, especially to companies which have trouble obtaining new credit," he added.

He also said the BIS is making banks more careful about lending. It will increase their desire to lend to prime customers.

Banker Comments on Impact of U.S. Trade Policy

BK2301071693 Bangkok SIAM POST in Thai 23 Jan 93 p 19

[Text] Olan Chaiprawat, general manager of the Siam Commercial Bank, said that U.S. President Bill Clinton's trade policy intended to secure U.S. interests might have some impact on Thailand.

The new U.S. Administration will take two or three months before it can formulate its policies pending information being gathered by U.S. agencies concerned.

President Clinton announced during his election campaign that certain Thai products would be prevented from entering the U.S. market. However, Olan believed that the president might have just tried to threaten Thailand so that it would open its market for some U.S. prducts such as cigarettes and other intellectual goods as well as allow U.S. financial institutions to open branches in Thailand. Thailand gained over $3 billion in a trade surplus with the United States. Trade between the two countries should be based on mutual concessions. Meanwhile, more U.S. products should be allowed to enter the Thai market.

Editorial: Foreign Minister Must Improve Image

BK1801125793 Bangkok NAEO NA in Thai 18 Jan 93 p 4

[Editorial: "The New Dimension of Cambodian Peace"]

[Text] The statement made by Japanese Prime Minister Kiichi Miyazawa during his visit to Thailand that Japan agrees with the proposal put forth by ASEAN for Cambodia to hold a presidential election prior to the general election, and Miyazawa's statement that Japan supports the candidacy of Prince Sihanouk for the presidency have dispelled the darkness surrounding the tiny hope for peace in Cambodia.

We hereby voice our support for this alternative plan for the Cambodian problem. Through our long study of the issue, we believe that the obstacle to peace in Cambodia is suspicion on the part of the Khmer Rouge regarding the influence of the Vietnamese-backed Heng Samrin regime over the scheduled general election. Therefore, transfer of Cambodia's administrative power from the regime propped up and supported by foreigners to an obviously neutral and non- partisan person who is directly elected by the Cambodian people themselves should help the Cambodian factions attain a better attitude toward the general election.

The existing impasse is disheartening. The newly proposed formula for peace in Cambodia has, to some extent, brought new hope. Although it may look like a few drops of water in the dry desert, it is valuable. We believe it has ushered in a new dimension for the Cambodian peace process and, hopefully, will bring about a change in the Thai Foreign Ministry so it can produce something new.

We want to see the head of the Foreign Ministry comporting himself like an international "diplomat," not like a "local politician" who is hot tempered and ready to verbally counterattack any critics on any issue, whether it pertains to national interests or not.

The old image of the foreign minister is not in the interests of himself, his agency, or, importantly, the country. We wish, in good faith, to remind him that since the external factors have now changed, we should improve ourselves, if for no other reason than for the interests of our country.

Prasong, Spokesman Comment on Laos Visit

BK1501022993 Bangkok BANGKOK POST in English 15 Jan 93 p 7

[Text] Foreign Minister Prasong Sunsiri yesterday played down Vientiane's postponement of a decision on the construction of a second bridge across the Mekong River, saying that Thailand should be considerate of the needs of Laos.

"It should not be worrying that no agreement has been reached," the Foreign Minister told reporters shortly after returning to Bangkok from a two-day visit to Laos.

"We should consider the needs of Laos," he pointed out, noting, in particular, the need to consider Lao perceptions of what is appropriate and its view of the ideal location for the bridge.

Laos asked for time without rejecting outright the Thai proposal for the construction of a new bridge when the matter was discussed in Vientiane on Wednesday.

The bridge would connect Thailand with Laos and Vietnam, unlike the one under construction that links only Thailand and its immediate Lao neighbour.

Foreign Minister Prasong said suggestions about the routing of the new bridge had only come from the Thai side.

"We should give Laos a chance to talk too," he went on. "When Laos has decided on the route then we (Thailand and Laos) can talk again," he added.

The Phalang Tham Party minister indicated that there were four or five points being contemplated along the Mekong for the proposed bridge.

A delegation source said there was no question among Thai officials that the routing of the Lao stretch of the bridge should be decided by Laos.

According to the same source, the siting of the Thai part of the bridge remains in question because private speculators had bought up land for profit and were engaged in fierce lobbying with influential politicians.

The proposed second bridge is also expected to be discussed when former prime minister Chatchai Chunhawan visits Laos early next week.

In talks in Vientiane on Wednesday, Lao Deputy Premier and Foreign Minister Phoun Sipaseut stressed the need for Laos to see the impact of the Thai-Lao bridge still under construction and generally improve its infrastructure before deciding on the second linkup.

The chief of the Lao delegation at the same time put forward a counter-proposal for Thailand to consider a new air link connecting the three countries.

Addressing a press conference in Vientiane shortly before the Thai delegation's departure for home yesterday, Foreign Ministry Spokesman Sakthip Krairoek said Thailand agreed to hold a meeting with Laos and Vietnam to consider this proposal.

But there was no indication of the date for the meeting.

According to Mr Sakthip, Laos argued that the new air link providing access to the Pacific would serve to reduce air traffic congestion in the region.

Yesterday, Squadron Leader Prasong was received by Lao President Nouhak Phoumsavan and Prime Minister Khamthai Siphandon in Vientiane before he headed back to Bangkok.

No agreement was signed nor was a joint communique released to mark the two-day official visit.

But Foreign Minister Prasong voiced confidence that it was a success, noting that he had been received by the Indochinese country's top leaders.

Foreign Ministry Spokesman Sakthip Krairoek said the visit signalled "the opening of a new relations" between the two countries.

Thailand pledged to firm up bilateral relations by expanding areas of cooperation and ensuring that projects' are translated into reality.

Foreign Minister Prasong also assured Laos that bilateral relations would be conducted on the basis of equality and mutual interest.

The spokesman quoted him as saying that Thailand would never allow "anybody to use Thai soil as a base for conducting antigovernment activities against other countries."

Laos expressed satisfaction with Thai efforts to clarify the case of the two million dollars stolen from Vientiane last year as well as its attempts to suppress anticommunist elements, the spokesman added.

The Thai-Lao talks covered a wide range of political and economic issues.

The idea of opening the Tha Sadet-Tha Deua crossing—linking Thailand's Nong Khai Province with Vientiane—on a 24-hour basis will be discussed at a meeting in Bangkok in March by the joint boundary committee, the spokesman said.

Other issues included cooperation in the suppression of narcotics, technical training, hydropower and the Mekong Committee.

Thailand buys some 800 million baht worth of hydroelectric power from Laos each year, in what officials said was the landlocked country's main source of income.

Both countries agreed that China and Burma should participate in developing the resources of the Mekong River. Thailand and Laos currently form part of an interim Mekong Committee that is also joined by Vietnam. The return of another original participant, Cambodia, remains in the balance.

Laos also asked Thailand to assist in its efforts to become a fully-fledged member of the Association of Southeast Asian Nations (ASEAN).

Laos, together with Vietnam was given observer status with ASEAN in July 1992, after signing its basic document—the Treaty for Amity and Cooperation.

Control of Oil Exports to Cambodia Approved

BK2001071993 Bangkok Radio Thailand Network in English 0000 GMT 20 Jan 93

[Text] The Cabinet yesterday approved two draft regulations proposed by the Ministry of Commerce aimed at effectively controlling the export of oil and oil products to Cambodia. The regulations are in compliance with UN Security Council's resolutions on trade sanctions against the Khmer Rouge in which oil and oil products are not allowed to be exported into Khmer Rouge territory.

One draft regulation approved by the Cabinet affects customs checkpoints in Sisaket, Surin, Buriram, Prachin Buri, Chanthaburi, Trat, and Ubon Ratchathani, imposing controls on the export of oil and oil products through the Thai-Cambodian border. Exporters will have to be licensed by the Foreign Trade Department. The regulations will take effect immediately.

Cabinet Approves Establishment of New Provinces

BK2101020793 Bangkok BANGKOK POST in English 20 Jan 93 p 3

[Text] An Interior Ministry proposal to upgrade three districts to provinces was given the go-ahead by the Cabinet yesterday, Interior Minister Suthat Ngoenmun said. The three districts are Nong Bua Lam Phu in Udon Thani province; Amnat Charoen in Ubon Ratchathani province and Sa Kaeo in Prachin Buri province. The Interior Ministry is to draft a royal decree on the establishment of the new provinces and submit it to Parliament for consideration. Each new province will require about 600 million baht to construct government offices such as a city hall, provincial court and prison, Mr Suthat said. Mr Suthat said the Civil Service Commission will allocate personnel for the new provinces.

Paper Criticizes Japan's Official Development Aid

BK1601034993 Bangkok THE NATION in English 16 Jan 93 p A6

[Editorial: "Japanese 'aid' must not poison Cambodia, too"]

[Text] With Japanese Prime Minister Kiichi Miyazawa in town today to discuss his country's vision for Asian development, it's a good time to look at Japan's record on overseas development aid (ODA) [Official Development Assistance].

At first glance, the country seems generous. Over the last few years, Japan has given more ODA than any other country, and much of that has gone towards Southeast Asia.

But the picture is far less pretty when one examines where all that money has ended up. Most of it goes to Japanese companies. Prof Murai Yoshinori of Sophia University in Tokyo, an ODA specialist, estimates that nearly 70 per cent of the country's bilateral aid flows right back to Japan.

Locals taken into account?

Left behind in developing countries are the dams and roads built by Japanese multinationals. These, too, appear to be, well, constructive additions to national development, even if they also help supply power to Japanese factories or allow Japanese loggers into pristine forests.

But those who direct Japanese aid never seem to consider the negative social and environmental consequences of the large projects they fund. Don't they care that the local people resettled to make way for their projects end up worse off than before? It's no good saying this is purely a matter for the locals. Japan funds the projects, so Japan must bear some responsibility for them.

And does anyone remember last year's Earth Summit? Since then, we haven't heard anything about the US$7 billion (Btl 75 billion) Green Aid Plan Japan announced there.

We are not saying that all Japanese aid is bad. Some of it is, indeed, helpful. It's just that it always seems to be directed ultimately in Japan's own self-interest, even more so than aid from other countries.

Japan is certainly not alone in its selfish aid policies, but some other countries have at least shown signs of enlightenment. The US Agency for International Development, for instance, now has a policy of promoting the use of non-chemical pest control methods in agriculture.

Meanwhile, the Japanese International Co-operation Agency (Jica) seems stubbornly determined to continue with its selfish ways. It's now planning to provide Cambodia's Ministry of Agriculture with a $3.78 million aid package that will include 30 tonnes of pesticides along with fertilizers and agricultural equipment.

Khmer farmers desperately need help in fighting pests so that they can boost crop yields and help the country feed itself. But most agricultural experts in Cambodia—including those with non- government organizations (NGOs), the UN Food and Agricultural Organization (FAO) and the International Rice Research Institute (Irri)—think that giving Cambodia chemicals is a bad idea.

For one thing, a large portion of the shipment is likely to be sold by government officials on the black market. Poor farmers, the supposed beneficiaries of the aid package, are not likely to receive much at reduced prices.

What's more, even the FAO and Irri now seem to agree that pesticides should be avoided whenever possible. They tend to kill not only pests, but also the pests' natural predators, so that farmers must often go into debt to buy ever greater quantities of chemicals to keep their fields pest-free. In essence, they become hooked on pesticides, which is why chemical companies—in this case, Sumitomo Chemical Corp and Nippon Kayaku Co are reportedly the donors—like to give them away cheap at first.

In some cases their use can even reduce yields, because fields which lack natural predators are vulnerable to new types of pests, or even to the original pest which has built up immunity to the chemicals in use.

It should also be noted that there are many ways to dump unwanted toxic chemicals in developed countries. You can either leave them in the port at Klong Toey, or you can give them away as "aid" to developing countries.

◆

Highly toxic pesticides

At least two of the pesticides to be sent to Cambodia, diazinon and sumicidin, have been described as "highly toxic". The US Environmental Protection Agency placed diazinon under special review in 1987 because it killed so much wildlife.

But in Cambodia people eat wildlife, many farming families rely on the fish, crabs and prawn which live in their rice paddies for protein. They can't afford to see their food chain poisoned.

A handbook on pesticides warns that diazinon should not be used in or near water that will be used for any purpose by humans or livestock. So how can its use be sanctioned in Khmer paddy fields? Is Japan telling us to simply accept that life is cheaper in Cambodia? Can't it give more of itself?

The Earth Summit message that development and the environment can only move forward together simply makes sense. That's why the agricultural experts are calling for more sustainable pest control techniques—such as integrated pest management (IPM) and the use of rice strains developed for resistance to pests—to be promoted ahead of pesticides

But Jica and the chemical companies don't seem as eager to support IPM. It doesn't bring in as much business.

We suggest Jica take a second look at its aid package. Although some critics dislike the use of artificial fertilizers, we believe they and the agricultural equipment will be useful to Cambodia. But the chemicals should be replaced with experienced personnel who can train Khmer farmers in IPM. Then we will agree that Japan is aiding Cambodia, and not just itself.

EC, Japan, Australia Seek Incentives

BK1501080793 Bangkok MATICHON in Thai 15 Jan 93 p 4

[Text] According to a Commerce Ministry source, the EC and countries such as Japan and Australia, have asked Thailand to comply with Most Favored Nations, MFN, practices on their investment in its services sector. They noted that Thailand has given more privileges to the United States, as obligated by the Thai-U.S. Amity and Economic Relations Treaty, and that these privileges should be accorded other countries as well. For this reason, Thailand will have to revise the treaty to avoid being placed at a disadvantage. However, the Foreign Ministry is not ready to amend the treaty and it has therefore been suggested that Thailand ask for a 10-year exemption from the MFN. In any event, the Foreign Ministry will have to amend the treaty soon because if there is no revision in 10 years, then Thailand will have to give the same privileges to other countries as the United States. This would put Thai business at a disadvantage.

The source also noted that Australia has sent a letter to Commerce Minister Uthai Phimchaichon seeking bilateral talks on the business services sector irrespective of the outcome of the GATT negotiations. If the GATT negotiations were to fail, there should be negotiations for greater access to the services market. If GATT negotiations were successful, there should be negotiations to give greater access than provided under GATT. Thailand has not expressed its intention on whether to hold bilateral negotiations with Australia.

Vietnam

Joint China Diplomatic Relations Marked

BK2001144193 Hanoi VNA in English 1415 GMT 20 Jan 93

[Text] Hanoi VNA January 20—The Vietnam-China Friendship Association arranged here today a cordial meeting on the occasion of the 43rd anniversary of the establishement of diplomatic relations between Vietnam and China and the lunar new year.

Present at the meeting were chairman of the association Nguyen Cong Tan, the vice chairman of the association, and representatives of the party Central Committee's external relations commission, the Ministry for Foreign Affairs, and the Vietnam Union of Peace, Solidarity and Friendship Organisations.

Chinese Ambassador Zhang Dewei and members of his staff also attended.

Speaking at the meeting, Ambassador Zhang Dewei said that over the past years, the Sino-Vietnamese Friendship Association has done many things to strengthen the friendship between the two peoples. After the resumption of the relations between the two countries, exchanges and cooperation in many fields have been restored and the friendly cooperation has made a new step, the ambassador said. He expressed his belief that with joint efforts the friendship and good neighbourly relations between China and Vietnam would certainly be promoted and strengthened.

On this occasion, the Chinese ambassador presented the Vietnam-China Association with a parabolic antenna, five metres in diameter, a 28-inch colour television, a video deck, a music system and accessories.

For his part, Nguyen Dong Tan expressed his joy at the development of the relations between the two countries, especially after the exchange of visits of high-level delegations of the two countries.

Phan Van Khai Welcomes Opening of French Bank

BK2101111193 Hanoi Voice of Vietnam in English 1000 GMT 15 Jan 93

[Text] Vietnamese Deputy Prime Minister Phan Van Khai welcomed the opening of Credit Lyonnais

Vietnam, a branch of the first foreign bank of the country. He said that Credit Lyonnais Vietnam will contribute to the renovation process for economic development in the country.

He was speaking to Mr (Raoul Chehad Mendes), special envoy of the president of Credit Lyonnais Paris currently on a visit to Vietnam to attend the inauguration on Thursday of a branch of the bank in Hanoi.

Management Training Center With France Opens

BK1801144693 Hanoi VNA in English 1415 GMT 18 Jan 93

[Text] Hanoi VNA Jan. 18—A French-Vietnamese management training centre (Centre Franco-Vietnamien de Formation a la Gestion or CFG), was jonitly inaugurated in Hanoi on Sunday by the Chamber of Commerce and Industry of Paris (CCIP) and the National Economics University (NEU).

The centre, the first of its kind in the country, is the outcome of an agreement signed in Hanoi in April last year between Deputy Minister for Education and Training Pham Minh Hac and French Ambassador Mr. Claude Blanchemaison. Its purpose is to provide Vietnamese economics professors, enterprise managers as well as graduates of economics colleges nationwide with latest knowledge on modern techniques of management in the market economy, with emphasis on application to Vietnam.

CFG director Michel Herland, said that at the moment some 30 trainees were attending the first year-long intensive course.

Mr. Herland said another centre would be opened in Ho Chi Minh City in September to receive 30 more students. 'CFG with French economics experts and 15 Vietnamese teachers trained in French do not operate in isolation but keeps close contacts not only with Vietnamese management institutions, but also with other colleges in the region, particularly, the Asian Institute of Technology (AIT), in Bangkok, and naturally with CCIP high schools,' he added.

Present at the inauguration ceremony were Deputy Minister Pham Minh Hac, Ambassador Claude Blanchemaison, CCIP President Mernard Cambournac, and CFG director Michel Herland.

1992 Foreign Trade Surveyed

BK2201151393 Hanoi VNA in English 1316 GMT 22 Jan 93

[Text] Hanoi VNA January 22—In the years 1981—82, Vietnam's annual exports represented only one-fourth of its foreign trade which totalled less than 500 US dollars.

In the first year of the period of renovation (1986-87), export value shot up to 800 US dollars. It went up to nearly two billion US dollars in 1991, and more than 2.4 billion US dollars in 1992, almost equal to the value of imports.

In 1992, nine export items saw a quick incrase over 1991 such as rice by 80.1 percent, crude oil by 37.9 percent, coal by 346 percent, rubber by 8.7 percent, marine products by 5.8 percent, garments by 1.9 percent...

Imports totalled 2,380 million US dollars, up by 4.6 percent compared with 1991 of which complete equipment accounted only f r 60.3 percent, and consumer goods for 19 percent.

By 1992, 87 countries had established trade relations with Vietnam. 79.4 percent of Vietnam's export value went to Asian countries and 77.5 percent of its imports came from these countries. The figures were respectively 9.7 percent and 14.9 percent for European countries and 8.6 percent and 4.9 percent for the countries in the former Soviet Union. In 1992, Singapore accounted for 26.7 percent of Vietnam's imports and 33.7 percent of Vietnam's exports, Japan for 20 percent and 7.8 percent, Hong Kong for 17 percent and 11.8 percent respectively.

Do Muoi Addresses Coal Miners

BK2301145193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 18 Jan 93

["Text" of address by party General Secretary Do Muoi at a recent Tet get-together with personnel of the Cam Pha coal mining corporation in Quang Ninh Province; date not given—read by announcer]

[Text] Dear comrades: On the occasion of our nation's traditional new year, on behalf of the party Central Committee and the state, I would like to wish you, comrades, and through you, to all cadres and workers of the coal mining sector good health and a happy and prosperous new year. I also would like to avail myself of this opportunity to convey to the entire working class and trade unions in our country the best wishes and solicitous regards of the party Central Committee.

Dear comrades: Our people have just endured a year of struggle full of ordeals and have attained many very important achievements in various domains—namely in production and business and in foreign economic relations—thanks to positive changes in financial and monetary affairs and in other works. Generally speaking, last year the lives of our people, including the life of the working class in general and that of the workers of the coal mining sector in particular, were further stabilized with improvements noted in the lives of a segment of the workers. These fruitful achievements have created favorable premises for the country's renovation to make vigorous headway in the years to come.

I am happy to inform you, comrades, that the Seventh Communist Party of Vietnam Central Committee's Fourth Plenum was recently held to discuss and decide on many important policies about the strengthening and development of the educational and training undertaking, about some cultural and artistic tasks, about health care, about the need to improve the health of the people, about family economics and family planning, and about youth activities with the aim of nurturing and developing the human factor as this is both a driving force for national development and an ultimate goal of our struggle to build a new society.

In 1993 and the ensuing years, we should satisfactorily carry out various resolutions of the party Central Committee's Second, Third, and Fourth Plenums, as well as the many plans and policies of the state in order to create harmonious development for our national revolution economically, culturally, socially, and in terms of national defense, security, and foreign relations with economic development being at the core. Building a clean and steadfast party is a factor determining all victories.

Dear comrades: In our people's great revolutionary undertaking, the working class, with the Communist Party of Vietnam as its advisory body, was able to firmly maintain its leading role while closely allying itself with peasants and the intelligentsia and uniting with all patriotic forces under the Vietnam Fatherland Front, with the compatriots nationwide, and the overseas Vietnamese compatriots.

The working class should take the lead in associating the interests of its class with those of the nation and should mobilize the strength of the entire nation in a bid to gain success in the renovation undertaking. We should persist on the path already chosen by Uncle Ho and our people and at the same time, should adopt steps and work methods suitable to our country's particular circumstances and to the complex international situation at present.

Our national renovation undertaking and the platform for socialist construction in our country can achieve success only when the entire working class and the laboring people realize their historic role and mandate and wholeheartedly struggle for this cause.

Under our country's worker movement, workers at the Quang Ninh mining site are those with a tradition of century-long persistent and indomitable struggle. In the struggle to regain power—as seen through the nation's two great wars for the liberation and defense of the fatherland—workers at the mining site proved worthy of being a vanguard and shock force of our country's revolution. Today's younger generation of miners should develop that tradition in their struggle for a propserous people, a powerful nation, and a civilized society.

I am very happy to learn that last year, directed by the Ministry of Energy, the provincial party committee, and the local administration, and with the cooperation of the Fatherland Front and other mass organizations in the province, cadres and workers of the coal sector and other industrial production sectors strived hard to overcome numerous difficulties in maintaining and developing production and maintaining political stability and public order and security. Thanks to their attention given to reorganizing production, achieving technical innovations, and linking production with the market and especially to improving product quality, coal production for local consumption and for export has gradually entered a stable pattern and has shown some development. This has eased the unemployment situation. The income and the living standard of workers, though not high enough, have been further improved. Other issues such as housing, health care, and education of children as well as the cultural, artistic, physical education, and sports movements have also been attended to and new improvements have been noted.

I particularly welcome the movement initiated by the provincial Fatherland Front to repay the good deeds and care for the families of war invalids and fallen heroes, the movement initiated by the local women's union to offer capital loans to its needy members for family-economics development, and the movement initiated by trade unions to set up mutual assitance funds and friendship funds to help the families of those needy workers faced with deprivation and difficulties. I hope that such creative ideas and good models are promptly and widely expanded to many establishments.

The employment-related worries of a large number of workers is well-founded and legitimate. The party and the government have paid great attention to tackling this issue. The state has formulated a national program to tackle the unemployment problem with a budget amounting to some 100 billion dong. There are also many other programs designed to offer capital loans for creating jobs, to set up new economic zones, to promote increased production and services at various cities, and to expand various construction projects to improve the infrastructure. These programs are being gradually inaugurated.

Under the policy of developing various economic components, the unemployment situation in our country will be tackled gradually and more satisfactorily. As the master of the country, the working class should view and know how to solve the unemployment problem correctly. We should not depend mainly on state organs or state enterprise for employment nor should we think that the state has the responsibility of tackling unemployment. The responsibility for this should instead rest with various components of the entire state, social organizations, every family and every worker, and with the entire people.

All productive labor- and service-related activities useful to society and capable of bringing about legitimate income for the laboring people belonging to various economic components should be regarded as necessary and should be promoted by the state.

Along with carrying out economic development and creating jobs, you, comrades, should properly adhere to regulations governing labor contracts, industrial sanitation, health insurance, and social welfare; make careful arrangements for those who retire or quit their jobs; and protect natural resources, the environment, and the country's scenic locations.

The multisectoral economic development requires us to pay attention to organizing trade unions among private, state-private, or share-holding corporations and enterprises owned by Vietnamese citizens and foreigners. We should ensure the obligations and rights of workers as outlined in labor contracts and stipulated in various laws and regulations of the state. We should ensure relations between employers and employees, develop production, and guarantee the legitimate interests of the laboring people such as being treated equally before the law. We should urgently compile a labor law and submit it to the National Assembly for ratification.

As the scourges of corruption, waste, smuggling, and under-counter dealings are taking place in a grave fashion, the working class and the laboring people should take the lead by joining with the Army and the people in resolutely struggling against these scourges. Our state law and our party and mass organizations are dutybound to protect those people having the courage to struggle against corruption, bribe-taking, smuggling, and wasteful spending of public funds.

Dear comrades: Although the road of advancement of our national revolution is very promising as new opportunies are arising, there are countless difficulies lying ahead while the struggle to defend our independence and territorial integrity, to rid ourselves of poverty and backwardness, to develop our commodity economy, and to survive the dog-eat-dog market competition, are still extremely tough and fierce.

Led by the party, the working class and the laboring people in our country should constantly study to improve their competency and knowledge, persist in renovating themselves, scrupulously comply with the law and other regulations of the state, build for themselves a sense of discipline and an orderly lifestyle, closely unite the people of all strata, and unanimously overcome all obstacles in successfully carrying out the national renovation undertaking in order to build our country into a prosperous, powerful, and civilized state in which all the people can enjoy a plentiful, free, and happy life. And that is the steady approach toward socialism.

Once again, I would like to wish you, comrades, and your families good health, happiness, and progress in the New Spring full of creative ideas in production, business, and work.

NHAN DAN Editorial on Humanistic Policy

BK1801094693 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 16 Jan 93

[From the "Press Review" program]

[Text] NHAN DAN today carries an editorial entitled: "All for the Human Being, All for the People's Happiness." The editorial says: Caring and fostering the human being is the task of today and tomorrow. The poor and the rich must have equal opportunities in education and training, both have the right to an abundant and healthy spiritual life, and both must have equal access to medical services. This is the noble humanism set in the policies of our party and government. It is the task and responsibility of our party, Army, and people to implement this noble cause.

The party's concept of everything coming from the human being and all for their happiness must be thoroughly understood by all working in the political, economic, cultural, and social domains, and must be evident in actions by all sectors and echelons, mass organizations, and societies.

Each community, school, and family must thoroughly understand and seriously implement the policy of caring for and fostering the human being. For the younger generation especially, efforts must be made to implement the population and family planning program of our party and state.

Party, State Leaders Visit Provinces

BK1901062893 Hanoi VNA in English 0550 GMT 19 Jan 93

[Text] Hanoi VNA Jan 19—Party and state leaders toured many provinces and economic and cultural establishments in recent days on the occasion of the lunar new year.

Do muoi, general secretary of the Party Central Committee, and Dao Duy Tung, politburo member and secretary of the Party Central Committee, visited the northern provinces of Hoa Binh and Quang Ninh and met with workers at the Cao Phong State Farm and the Hydro-Electric Power Plant in Hoa Binh, and at the coal mines of Cam Pha and 'Pit Noy' in Quang Ninh.

President Le Duc Anh visited a number of economic establishments in Hanoi. At the Giang Vo Telecommunication Centre, he talked on long-distance phones with people in the Provinces of Quang Nam-Danang, Thua Thien-Hue and Son La, and the island district of Truong Sa (Spratly) and wished them all a happy new year. He also visited the Vietnam Railway Union.

Gen. Doan Khue, politburo member of the Party Central Committee and minister of defence, visited the provinnces of Kien Giang, An Giang, Dong Thap, Tra Vinh, Soc Trang, Vinh Long, and Tien Giang, the city of Can Tho and the ninth military zone.

Earlier, Vice President Nguyen Thi Binh paid a working visit to Quang Nam-Danang Province, Ho Chi Minh City and Tien Giang Province.

Lang Son-Dong Dang Rail Line to Border Opens

BK2201003093 Hanoi VNA in English 1407 GMT 21 Jan 93

[Text] Hanoi VNA Jan 21—The Lang Son-Dong Dang railway line was opened to traffic yesterday in a ceremony held by the Vietnam Union of Railway.

On occasion of the traditional lunar new year festival, this was part of the preparation to link Vietnam's domestic railways with international lines.

This railway line is over 18km long and links the capital of the northern border province of Lang Son with the township of Dong Dang, which is one of the main gateways to China.

1.9 Million Tonnes of Rice Exported in 1992

BK2001065993 Hanoi VNA in English 0620 GMT 20 Jan 93

[Text] Hanoi VNA Jan. 20—Rice exporters in the whole country sold abroad a total amount of 1.9 million tonnes last year, said the Vietnam Food Import-Export Association. The exported volume, 800,000 tonnes more than the 1991 figure, was the highest since Vietnam began exporting rice 4 years ago.

1992 also marked an increase in the percentage of high-quality rice exported. Up to 38.64 percent of the total wan rice with five and ten percent of broken grains, thus increasing the export value by 175 million US dollars. Rice production was an all-time high last year in terms of area, productivity and output, said officials from the association. In the Mekong River Delta, the biggest rice growing area in the country, area under rice was expanded by 137,00 hectares to 2,896,000 hectares while out-put rose by 547,000 tonnes to 10.9 million tonnes. Massive rice exports are currently pushing wholesale price on the free market by 50 to 150 dong per kilo, exporters said. One kilo of rice now sells for 1,000-1,050 dong in the Mekong River Delta and 1,100 dong in the eastern region of South Vietnam. Farmers throughout the country plan to put 7.68 million hecteres under food crops this year to produce an estimated output of 24.5 million tonnes of food in rice equivalent, the Ministry of Agriculture and Food Industry said. As compared with 1992, the cultivated area is expected to increase by about 100,000 hectares and output by 600,000 tonnes. Of the planned total, rice is to be grown on about 6.5 million hectares with an estimated output of nearly 22 million tonnes. The Ministry of Agriculture and Food Industry said to this end, a series of concerted measures should be taken to boost production, namely by launching a nationwide agricultural promotion drive for intensive farming of both rice and other food crops, and making large investments in locating rice production in the three major rice growing areas in the country - the Mekong River Delta, the Red River Delta and the Plains on the central coast. Efforts will continue to be exerted to further tap the three biggest rice producing areas in the Mekong River Delta - dong thap muoi (the plain of reeds), Tu Giac Long Xuyen (Long Xuyen Quadrangle) and the western bank of the Hau River - as well as the Ca Mau investments will be pooled to raise the capacity of food processing and storage, especially to upgrade rice polishing workshops and rice storages and silos, in order to have high quality rice for export to foreign outlets.

By improving the irrigation network and planting new short-term, high-yielding rice varieties, the northern provinces are supposed to further expand the two main rice crops - the winter-spring and the summer-autumn and the cash crop in winter with the aim of achieving an increase of 150,000 to 250,000 tonnes of food, including 100,000 tonnes of rice, as against the 1992 figure.

Currently rice seeds are being sown and seedlings transplanted on an area of 2,330,000 hectares in the winter-spring season which usually yields the highest and stable output in the year.

1992 Light Industry Production Growth Reported

BK1701062893 Hanoi VNA in English 0543 GMT 17 Jan 93

[Text] Hanoi VNA Jan. 17—According to Minister of Light Industry Dang Vu Chu, in 1992 the light industry sector achieved a production growth rate of 16 percent over 1991.

The production of powder milk was up by 77.3 percent, canvas shoes 66 percent, vacuums 43 percent, electric lamps 26.2 percent, water pipe 26.2 percent, paper 51 percent, cigarettes 21.7 percent, fabrics 10 percent, beer and soft drinks 9 percent and canned milk 9.9 percent.

Minister Dang Vu Chu further said that this year the light industry service will strive to maintain the 1992 growth rate and to this end it will establish big production groups on the basis of pooling capital from various sources both inside and outside the country.

News Agency To Publish Weekly 'Vietnam Courier'

BK1901062293 Hanoi VNA in English 0546 GMT 19 Jan 93

[Text] Hanoi VNA Jan. 19—VIETNAM NEWS AGENCY (VNA) has taken over the publication and distribution of the foreign-language weekly 'Vietnam Courier' from the Foreign Ministry by decision of the prime minister of the government.

'Vietnam Courier' is a national weekly appearing in English and French. It reflects political, economic and social events and issues in the present renovation, introduces the land, people, history and culture of Vietnam and reports on Vietnam's external relations. Active preparations are under way to resume the publication of the weekly at the earliest possible date.